

AGENDA

PETROLEUM TANK RELEASE COMPENSATION BOARD MEETING

February 11, 2019

10:00 a.m.

Lee Metcalf Building, Room 111, 1520 E 6th Ave,
Helena, MT

NOTE: Individual agenda items are not assigned specific times. For public notice purposes, the Board will begin the meeting at the time specified. However, the Board might not address the specific agenda items in the order they are scheduled. The Board may take action on any of the items on the agenda. For disability accommodation, please contact DEQ Personnel at 444-4218.

10:00 Board Meeting

I. ADMINISTRATIVE AGENDA ITEMS

Approval of November 19, 2018 Minutes 1

II. ACTION ITEMS

Claim Adjustment Dispute, 20181130B, Rock Creek Exxon, Fac #509748,
Rel #2941, Red Lodge..... 14
Eligibility Ratification..... 19
Ratification of Weekly Reimbursements and Denied Claims..... 20
Board Claims..... 32
Board Categorization of Survey Monkey® Results..... 44

III. DISCUSSION ITEMS

Proper Recusal from Discussion and Voting during Board meetings..... 45

IV. REPORT ITEMS – INFORMATIONAL (DISCUSSED AT THE REQUEST OF INTERESTED PARTIES)

Board Attorney Report..... 60
Fiscal Report Dec FY2019..... 61
Board Staff Report 65
DEQ Petroleum Tank Cleanup Section Report..... 68

V. Public Forum

Under this item, members of the public may comment on any public matter within the jurisdiction of the Board that is not otherwise on the agenda of the meeting. Individual contested case proceedings are not public matters on which the public may comment.

VI. Next Proposed Board Meeting date: March 25, 2019

VII. Adjournment

PETROLEUM TANK RELEASE COMPENSATION BOARD
MINUTES
November 19, 2018
Lee Metcalf Building, Room 111, 1520 E 6th Avenue
Helena, MT

Board Members in attendance were Jerry Breen, Keith Schnider, Heather Smith, Ed Thamke and Jason Rorabaugh. Also in attendance in Room 111 were Terry Wadsworth, Executive Director; Kyle Chenoweth, Attorney for the Board; and Ann Root and Garnet Pirre, Board staff. Board Members, Mark Johnson and Jim Corson were absent from this meeting.

Presiding Officer Breen called the meeting to order at 10:02 a.m.

Election of Presiding Officer

Mr. Breen asked for discussion or nominations.

Mr. Schnider nominated Mr. Breen to continue in the position of Presiding Officer. Mr. Rorabaugh seconded.

Ms. Smith asked whether Mr. Breen's term would be up in July of 2019 and if the Board would be voting again in six (6) months. Mr. Wadsworth stated that Mr. Breen's term would end at the end of June, but service to the Board after that date would depend on the Governor's appointments.

Mr. Thamke asked if the Board usually matriculated the Vice-Presiding position into the Presiding Officer position, so there was a knowledge transfer and fresh leadership over time. Mr. Wadsworth stated that in the time that he has been the Executive Director, that the pattern described is the pattern he has seen. Mr. Wadsworth clarified that if Mr. Breen was not reappointed in June of 2019, the Vice-Presiding Officer would have to preside over the meeting, and a new Presiding Officer would be elected. The person replacing Mr. Breen as the representative of the independent petroleum marketers would not automatically come in as the Presiding Officer. Mr. Wadsworth spoke about the different scenarios that could be presented and how voting would take place in each of those scenarios.

Ms. Smith asked Mr. Breen if he wanted to be the Presiding Officer for another term. Mr. Breen stated that if he was elected, he would do it.

Mr. Thamke asked Mr. Schnider if he had any interest in matriculating into the Presiding Officer position. He said that he was probably the member on the Board the longest, besides Mr. Breen. He stated that he liked his role as the Vice-Presiding Officer, but if the Presiding Officer position came available Mr. Schnider saw no reason he wouldn't continue in that role.

Mr. Breen accepted the nomination. The motion was unanimously approved by roll call vote.

Election of Vice-Presiding Officer

Mr. Breen asked for discussion or nominations.

Mr. Thamke nominated Mr. Schnider. Mr. Breen seconded. The motion was unanimously approved by roll call vote.

Approval of Minutes – September 10, 2018

Mr. Wadsworth presented the Board with the following corrections to the September 10, 2018 minutes:

- Minutes Page 25, Paragraph 7, Mr. Stine called Mr. Wadsworth and expressed a concern about the comment made by Mr. Breen that he was not at all the Cost Control Work Group meetings. Mr. Stine requested that the minutes reflect that, although Mr. Breen may not remember being at all the Cost Control Work Group meetings, the Board was represented at all the meetings. Mr. Wadsworth indicated that there were three (3) Board Members on the Cost Control Work Group, and there was at least one (1) Board Member at each workgroup meeting that occurred.

- Minutes Page 29, Paragraph 9, regarding Troy’s Service Station; Mr. Thamke asked if this site was an active service station and if there were vapor issues. Mr. Miner responded that the site was an active service station, and that both the depth to groundwater, and the SVE system would help alleviate any vapor issues. Mr. Wadsworth stated that Board staff researched the facility, and requested the record reflect that a March 2, 2018 report indicated that this site is currently used as a yoga studio.

Mr. Thamke asked the staff to research and correct the minutes, if needed as follows:

- Minutes, Page 2, Table at bottom of page, Michael’s Exxon, Release 4587, shows a loss of product of only 60 gallons and 60 gallons recovered. Mr. Thamke believed that site to have lost more than that amount. Mr. Wadsworth agreed and stated that it would need to be corrected. The issue was researched and corrected to reflect that 10,571 gallons of unleaded plus was lost at this site.

Mr. Breen asked if there needed to be a motion to delay the ratification of the minutes until the corrections could be made. Mr. Wadsworth stated a motion could be entertained. He requested that the Board instruct the staff on how to proceed with the information they have been provided. Mr. Wadsworth stated that he would propose that the Board’s motion include instructions to have the corrections be made in the record, as discussed.

Mr. Thamke stated that what was ordinarily done was to move to approve the minutes, with the corrections discussed. Mr. Breen stated he was fine with that suggestion, as long it covers what had been stated. Mr. Wadsworth indicated that Board staff would make the corrections, and the Presiding Officer could sign the corrected minutes.

Mr. Thamke motioned to approve the minutes with the corrections, as discussed. Ms. Smith seconded. The motion was approved by voice vote, with Mr. Schnider recusing himself because he was absent from the September 10, 2018 meeting.

Approval of Proposed Meeting Dates for 2019

Mr. Wadsworth stated that Mr. Breen had asked the Board staff to poll the Board members about moving the proposed March 25, 2019 meeting date of to April 1, 2019, due to one member having a scheduling conflict. He drew the Board’s attention to the fact that the March 25 meeting date was not moved to April 1, 2019. The poll showed that there were the same number of Board Members missing on March 25th as on April 1st, and in deference to the Presiding Officer’s schedule, the March 25th date was retained as the proposed meeting date.

Mr. Wadsworth noted that Ms. Smith had indicated that a 10:30 am start time for the August 26, 2019 meeting would work better for her. He stated that there was no problem starting that meeting later, and there was a possibility that the meeting could be held via teleconference, if the Agenda permitted. Board staff will work with Ms. Smith to schedule a time that works best for the August meeting.

Mr. Schnider moved to approve the meeting dates as proposed in the packet, along with starting the Board meeting at 10:30 am on August 26, 2019. Mr. Rorabaugh seconded. The motion was unanimously approved by voice vote.

Eligibility Ratification

Mr. Wadsworth presented the Board with the application for eligibility that was tabulated in the Board packet (See, table below). There was one (1) application, and it was recommended eligible by Board staff.

<i>Location</i>	<i>Site Name</i>	<i>Facility ID #</i>	<i>DEQ Rel # Release Year</i>	<i>Eligibility Determination – Staff Recommendation Date</i>
Dillion	Co Op Supply (Rocky Mountain Supply)	0110034	5219 Apr 2018	Recommended Eligible. Reviewed 10/24/2018.

Mr. Thamke asked if the eligibility was connected to LUST/TRUST in anyway. Mr. Wadsworth stated it was not, except that the Department of Environmental Quality (DEQ) has regulatory oversight for the facility.

Mr. Thamke asked if the site was associated with Opportunity Bank, doing business as (DBA) Eagle Bancorp. Mr. Wadsworth stated it was not.

Mr. Schnider moved to accept the eligibility ratification, as presented. Ms. Smith seconded. Mr. Rorabaugh recused himself from voting. The motion was approved by roll call vote with one recusal.

Weekly Reimbursements and Denied Claims

Mr. Wadsworth presented the summary of weekly claim reimbursements for the weeks of August 22, 2018 through October 24, 2018, and recommended the Board ratify the reimbursement of the 150 claims, which totaled \$535,225.98 (See, table below).

WEEKLY CLAIM REIMBURSEMENTS November 19, 2018 BOARD MEETING		
Week of	Number of Claims	Funds Reimbursed
August 22, 2018	16	\$38,037.67
August 29, 2018	18	\$47,020.71
September 5, 2018	23	\$69,929.20
September 12, 2018	10	\$86,009.62
September 19, 2018	18	\$67,143.31
October 3, 2018	18	\$31,300.76
October 10, 2018	22	\$66,110.22
October 24, 2018	25	\$129,674.49
Total	150	\$535,225.98

Mr. Schnider noted that there were a couple of sites that are getting close to the maximum reimbursement amounts, and asked if there were any that Mr. Wadsworth felt would reach the \$1,000,0000 mark. Mr. Wadsworth wasn't sure and stated that, in the past, the Board had asked the staff to notify the owner if they were coming close to their maximum. He stated that the staff would be willing to do that again. Mr. Schnider thanked the staff for doing that.

Mr. Thamke asked if any of the claims listed were associated with LUST/TRUST monies or Opportunity Bank, DBA Eagle Bancorp. Mr. Wadsworth stated that he wasn't sure if there were any claims associated with LUST/TRUST, and they would have to be looked at specifically to know. Mr. Chenoweth advised Mr. Thamke to do a blanket recusal, as the other Board Members do, just to be safe. He said that Mr. Thamke could recuse himself from anything pertaining to LUST/TRUST and Opportunity Bank, DBA as Eagle Bancorp, if he had questions.

Mr. Thamke asked how a person would know what their conflicts were. He stated that if the Board members did a blanket recusal, all the Board Members would be in the same boat, and nothing would get done. Mr. Wadsworth mentioned that what is required for voting is a quorum, which was present at this meeting. He stated that even if all the Board Members except one (1) are conflicted out, the vote could still pass. Mr. Thamke indicated that if a Board Member was not conflicted, they should be participating.

Mr. Thamke asked if there was a way to know, with each Member's respective responsibilities, if there was a potential conflict. Mr. Wadsworth said that additional information for each claim could be added, but it may still not answer the question. He said there was a possibility that a contractor could be receiving a payment, and they would be included in the additional information, but there may be a sub-contractor involved, and that a person from that company could be on the Board.

Mr. Wadsworth gave an example that Mr. Schnider may be insuring some of the companies associated with the claims processed. Mr. Schnider noted that, while that example could hold true, he wouldn't always know unless he was the agent for that account. Mr. Wadsworth indicated that was why Mr. Chenoweth's recommendation for a blanket recusal was how the Board has handled the issue in the past.

Mr. Breen asked if the statement of a blanket recusal was to just put it on the record that the Board Member could have a potential conflict, even without specific knowledge of a direct conflict. Mr. Wadsworth agreed and referred to Mr. Chenoweth's blanket recusal advisement.

Mr. Wadsworth described the time that Mr. Corson had recused himself from anything associated with First Interstate Bank, because he had directly purchased stock in the company. Mr. Wadsworth stated that if a person's mutual fund owned stock in First Interstate Bank, that would be at such a deep level, it would not be of concern for voting on the Board. There would not be an expectation of the Board Member knowing that information.

Mr. Rorabaugh asked, if a Board Member referenced a conflict they had from one of the weekly claim reports in the packet, could they just recuse themselves from that week. Mr. Wadsworth stated they could.

Mr. Wadsworth said that if a conflict was noted from the information on a specific claim, the Board Member could just recuse themselves from the claim. Mr. Wadsworth stated that Mr. Chenoweth's advisement of a broader recusal is because it is possible that another person is getting reimbursed. As an example, the packet would show the payment, but the claim could be for a site that First Interstate Bank has direct authority over. Mr. Wadsworth noted that in that case, Ms. Smith's broad recusal from any claims associated with First Interstate Bank acknowledges the conflict, and still allows her to vote on all other claims.

Mr. Thamke stated that the Board Members could vote but that they have to state if there is anything that relates to their bank, insurance companies or other companies that could be a conflict. Mr. Wadsworth agreed.

Ms. Smith moved to accept the proposed weekly reimbursements. Mr. Thamke seconded.

Mr. Rorabaugh recused himself from the September 19, 2018 weekly claims involving Gallatin Farmers Company in Belgrade. Mr. Schnider recused himself from any claims associated with Payne West Insurance. Ms. Smith recused herself from voting on any claims associated with First Interstate Bank. Mr. Thamke recused himself from any claims associated with Opportunity Bank or Eagle BanCorp or LUST/TRUST. **The motion was unanimously approved by roll call vote.**

Board Claims – Claims over \$25,000

Mr. Wadsworth presented the Board with the one (1) claim for an amount greater than \$25,000 that had been reviewed by Board staff since the last board meeting (See, table below).

**CLAIMS OVER \$25,000.00 *
November 11, 2018**

Facility Name Location	Facility- Release ID#	Claim#	Claimed Amount	Adjustments	Penalty	Co-pay	**Estimated Reimbursement
Bruce's Quick Lube Inc, Butte	4706099- 4250	20180420A	\$27,071.60	-0-	-0-	-0-	\$27,071.60
Total			\$27,071.60				\$27,071.60

* In accordance with Board delegation authority to the Executive Director signed on December 8, 2003, the Board staff will review the claims for the Board. If the dollar amount of the claim is \$25,000.00 or greater, the claim must be approved and ratified by the Board at a regularly scheduled meeting before reimbursement can be made.

**In the event that other non-Board claims are paid in the period between preparation for this Board meeting and payment of the claim listed above, the amount of co-payment remaining may differ from that projected at this time, which may change the estimated reimbursement.

Referring to additional information provided to the Board, Mr. Breen asked why there was a big difference in the budget costs versus the amount claimed for Claim 20180420A. Mr. Wadsworth stated that the miscellaneous task was for laser induced florescence, which came in under budget, and that is the reason for the difference in the amounts.

Ms. Smith moved to approve the claims over \$25,000, as presented in the packet. Mr. Breen seconded. Mr. Schnider recused himself from any Payne West Insurance associations. The motion was unanimously approved by roll call vote.

Board Categorization of Survey Monkey® Results

Mr. Breen asked Mr. Thamke to present his thoughts to the Board regarding the categorization exercise discussed at the September 10, 2018 meeting.

Mr. Breen stated that there were issues raised in the Survey Monkey® results that he felt could be better addressed by a Legislative Audit than by the Board or a work group. He noted that it had been more than 14 years since the last Board audit, and his understanding was that re-audits usually take place every 10 years. Mr. Thamke stated that he didn't believe it was easy to get scheduled for an audit, and that the issues raised in the survey results should go through the Board first. Mr. Breen agreed that the issues needed to be sorted by the Board, but some of the issues identified may be better addressed by a Legislative Audit. Mr. Breen stated he felt this was a viable consideration. He has been in contact with both Mr. Brad Longcake, Executive Director of the Montana Petroleum Marketers Association, and Mr. Angus Maciver, Legislative Auditor, to discuss the need for a Legislative Audit of the program.

Ms. Schnider asked for clarification of the categories. Mr. Thamke stated that #1 would indicate Board Responsibility, #2 would be Work Group responsibility. He stated there was no magical work group, but that Ms. Amy Steinmetz, Petroleum Tank Cleanup (PTC) Section Supervisor, the Tank Triune and Mr. Longcake had been working on creating a work group. (The Tank Triune is a group of DEQ employees who meet regularly to discuss issues of concern to different programs that deal with petroleum storage tank issues). Mr. Thamke stated that #3 would be No Action Alternative, a comment that was not going to be addressed.

The Board discussed the different categories they had decided on at the last meeting, and where the comments fit into those categories. The Board decided to place the comments into the categories, as follows:

1 - Board Responsibility	2 - Work Group Responsibility	3 - No Action Alternative
Responses in this category were:	Responses in this category were:	Responses in this category were:
#3, #5, #6, #7, #12 – comment 4, #18, #19 - comment 1 #20 – comments 2 and 3	#2, #8, #9, #10, #11, #12 – comment 3, #15 – comments 1-3, #19 – comments 2, 4 5, #20 – comments 1, 5, 6, 7 #21	#1, #4, #12 – comments 1 and 2, #13, #14, #17, #19 – comment 3, #20 – comments 4 and 8

Mr. Thamke moved to work with Board staff to incorporate the Board's recommendations for placement of the Survey Monkey® Results into categories and that it be brought back to the Board for further action. Mr. Schnider seconded. The motion was unanimously approved by voice vote.

Board Attorney Report

Mr. Chenoweth provided an update to the Board on the Cascade County and Keenan and Associates matters, (See, table below). He stated that the Cascade County Case had been sent back to the District Court pending a final decision. The stipulated facts were agreed upon by both parties, and the case now awaits a decision from the Court.

Mr. Chenoweth was hopeful that the Board would receive an answer from the Court by year-end. The status is the same as at the time of the last report.

Since the last Board meeting, the parties in the Keenan & Associates case have agreed to dismiss the matter. Keenan & Associates waived rights to any legal claims for requested reimbursements. This case is closed.

Mr. Thamke asked if Mr. Chenoweth was at liberty to explain how the compromise was reached for Keenan & Associates. Mr. Chenoweth stated there were preliminary phone calls between himself and the opposing party's attorney, and after a few weeks, the opposing counsel responded by asking if both sides could drop their claims and the case. He said it was a fairly quick matter.

Location	Facility	Facility # & Release #	Disputed/ Appointment Date	Status
Great Falls	Cascade County Shops	07-05708 Release 3051-C1,3051-C2,3051-C3 AND 3051-C4	Denial of applications	The District Court has allowed additional briefing, which has been completed. We are awaiting a decision from the Court.
Billings	Keenan & Associates	56-13771 3034	Denial of Reimbursement of Ineligible Costs	The parties have agreed to voluntarily dismiss this matter after Keenan and Associates stipulated to waive any right to legal claims it may have regarding the requested reimbursements at issue in the matter.

Fiscal Report

Mr. Wadsworth presented the fiscal report. There was no discussion.

Board Staff Report

Mr. Wadsworth presented the Board staff report. There was no discussion.

Petroleum Tank Cleanup Section (PTCS) Report

Ms. Amy Steinmetz, Supervisor, PTC Section, presented the Board with the PTC Section Report. She stated that her team made a big push to close releases before the fiscal year-end. Since the last Board meeting, there are 32 closed releases, with 68 closed for the calendar year. The closure goal for the full calendar year is 80, and PTCS is on-track to meet that goal. The total number of active petroleum releases remaining is 951.

Ms. Steinmetz addressed a question asked of her at the June 18, 2018 meeting by Mr. Johnson and Mr. Thamke. The question was regarding Fund liability, and how releases are addressed by priority. Ms. Steinmetz stated that she read the 2016 Actuarial Study conducted by Taylor and Mulder. Ms. Steinmetz also indicated that she ran database queries to find estimates to address cleaning up the backlog of open releases. Her estimates ranged from a total of \$60 million to over \$100 million. She felt that trying to estimate the costs with the information that is available is not meaningful. She suggested that anyone interested in the topic should read the actuarial study. Ms. Steinmetz indicated that the estimate in the study indicated that it would take until 2029 to clean-up the backlog.

Ms. Steinmetz suggested that it would be good to revisit the question of costs associated with the backlog. She stated that it may be good to do on an annual basis, because with each clean-up, the number of releases decreases and the numbers for clean-up costs are becoming clearer. The Release Closure Plans that PTC is using will provide more information to use in addressing the costs associated with the backlog.

Ms. Steinmetz explained how releases are prioritized. She stated that the numbers she would be presenting covered only sites that are Fund eligible, and a sub-set of the sites with unknown eligibility, totaling fewer than 700 releases. The highest priority sites, *1.1 High Priority/Emergency Response*, are sites that present an imminent risk to water ways and show signs of possible vapor intrusion issues. There are currently 44 sites in this category. She noted that PTCS does not re-categorize the releases until the current phase of work has been completed. Ms. Steinmetz stated, that although there are 44 sites in this status, they are not all in an emergency phase of work.

Ms. Steinmetz noted that sites with a priority of 1.2 or 1.3 are characterized as *High Priority, with or without free product*. There are 69 sites in this category and they are actively being worked on.

Ms. Steinmetz stated that sites with a priority of 1.4 are High Priority with unknown factors, but are thought to have significant risks that need investigation. There are 162 sites in this category, and PTCS is actively working on most of these.

Mr. Thamke asked Ms. Steinmetz to explain Risk Based Screening Levels (RBSLs). She stated that they are numbers that are targets to use when doing remediation. Those numbers are determined based on risk levels to human health. For groundwater, there are maximum contaminant levels (MCLs) that are promulgated by DEQ. There are additional [or other] groundwater numbers that are calculated based on risk and toxicology. For soils, there are RBSLs based on direct contact with a contaminant, and leaching to groundwater. These numbers are back-calculated based on the contamination levels found in the groundwater at a site. RBSLs can be adjusted if receptors are further away.

Ms. Steinmetz continued her outline of priority levels. Sites with a priority of 2 are *Medium Priority, characterized by there being less risk to receptors due to distance from the release and the receptors*. There are still unknowns in this prioritization, and even though risk is less likely, these still need to be investigated. There are 241 sites in this category, and they are being addressed as time allows. Most time is spent on addressing the higher priority sites.

Ms. Steinmetz stated priority 3 is *Medium Priority/Remediation*. This means that the site has been fully investigated, and there is contamination above the RBSLs. The risks are less, so remediation is not occurring. These sites are worked on as Case Managers have time, or when owners/operators request to have work done. There are 93 sites in this category, and they either need remediation, or may be eligible for Petroleum Mixing Zone Closures, if the owner agrees.

Ms. Steinmetz stated that priority 4 means *Groundwater Management*. These sites are characterized by possibly having contaminated soil in place, with groundwater contaminated above standards, but the contamination plume is stable or shrinking. If the owner is not willing to use a Petroleum Mixing Zone Closure, these sites will have to continue to be monitored until the RBSLs are no longer exceeded. Because of the low risk, many of the sites in this category are not being worked on. There are 173 sites in this category. PTCS is trying to address these by going out to sample many of these sites at the same time to see if they are ready for closure, or need to be moved to an active status.

Ms. Steinmetz stated that priority 5, the last category, is *Pending Closure*, and is characterized by the clean-up being completed. There are 61 sites in this category and most of them will be closed over the next several months.

Ms. Steinmetz stated that cost by priority is hard to estimate, because active sites that have large amounts of contamination are going to have higher costs. She said that until a site is fully investigated, it is hard to estimate what the cost of remediation may be, or even if there will be any cost at all. In these cases, statistics are all that is available to project the possible costs.

Ms. Steinmetz explained that PTCS has been pushing to close as many sites as possible. She noted that the 450 sites that are not fully investigated or identified are now being addressed, so that possible closure and costs for remediation can be better known.

Ms. Steinmetz then presented the work plans for an amount greater than \$100,000.

Port of Montana, Butte, Fac #47-11251, Rel #539, WP #10827, Priority 1.2

The extent of free product at this site was delineated in a 2015 Laser Induced Florescence (LIF) study and from results of the groundwater monitoring event at this site. Based on site data, an assessment of remedial alternatives and the results of a pilot test conducted at the site, the consultant has recommended a bio-venting system with a follow-up sampling event to determine the effectiveness of the bio-venting system. The estimated costs for this work plan are \$138,828.54

Carquest Store, Have, Fac #99-95118, Rel #4835, WP #10890 Priority 1.3

Groundwater monitoring wells were installed and successfully delineated the extent of the petroleum contaminated groundwater. An LIF investigation performed in 2017 indicated that most of the soil contamination was located below the water table. Based on the LIF investigation, a bio-feasibility study was performed to determine if enhanced bio-remediation would be a viable alternative. The study indicated that, while microbes capable of degrading petroleum contamination were present, the absence of both nutrients and dissolved oxygen were impairing their ability to effectively metabolize petroleum constituents. The approved work plan consists of the installation, operation, and assessment of a nutrient and oxygen injection system. The system will be monitored for 2 years, after which the system's effectiveness will be assessed. The estimated costs for this work plan are \$307,963.10.

Former Bennett Motors, Great Falls, Fac #99-95174, Rel #5094, WP #10602 (sic) (WP #10808), Priority 1.4

A 2017 LIF investigation demonstrated soil contamination throughout the property, with high levels of petroleum contamination located under the Hyundai Building. Groundwater monitoring wells demonstrate widespread gasoline contamination throughout the property. In May 2018, Big Sky Civil & Environmental (BSCE) completed a Remedial Alternatives Analysis (RAA) and concluded that soil excavation, along with the demolition of the Hyundai Building, was the alternative to use.

Ms. Steinmetz introduced Mr. Joe Murphy, Environmental Consultant, BSCE. Mr. Murphy stated that he felt it was important to come to the meeting, because his company had been in lengthy discussions with DEQ concerning this site and the appropriate cleanup action. He stated that from early in the project, the demolition of the building was felt to be the best alternative, and that had been submitted in previous documentation. Mr. Murphy handed out a photo with a diagram that shows what his company believes to be the area of the contamination that needs to be excavated. The building at the site sits on top of more than half of the area that needs to be accessed.

Mr. Murphy stated that he understood that Board staff was recommending the cost of the building demolition be split with the owner. He stated that the best clean-up alternative for the site would be demolishing the building. He stated that the owner felt the building was an asset, but if there was a possibility of demolishing the building using the Fund, the owner was willing to do that. Mr. Murphy stated that demolishing the building was going to be better in the long-term. His firm would be able to clean it up in one phase, as opposed to trying to dig around the perimeter of the building.

Mr. Murphy stated that he believed if the contamination was left under the building it would continue to leach out into the dig out area, and would extend the amount of time to bring the site to closure by decades. He asked the Board to consider the request to have the Fund cover the full costs of building demolition. He also requested that, in the future, the consultant be brought into the discussions of what the Board staff is going to recommend ahead of time, so there is time for them to respond before a Board meeting.

Mr. Thamke asked if the building was on a slab. Mr. Murphy said he didn't remember the details. He stated the costs of the demolition was about \$29,000.00, which included asbestos abatement.

Mr. Thamke asked if there was any salvage value in the sheet metal of the building. Mr. Murphy stated he didn't know how much metal there was, or what its value would be.

Mr. Breen asked if the owner was willing to pay for half of the demolition. Mr. Murphy stated that the reason the owner was willing to have the building demolished was he believed the Fund would cover the cost of building demolition. .

Mr. Breen asked if there was an estimate on what the clean-up would cost; if the building stayed, or if it was demolished. Mr. Murphy stated that their analysis included the costs they submitted to DEQ. Mr. Breen asked what the trade-off would be. Mr. Murphy stated that the trade-off was several years of groundwater monitoring that won't be necessary if the clean-up is more comprehensive on the front-end. If the building doesn't come down now, there would have to be phases of work done, including excavation later, when the building does come down. Mr. Murphy stated that he believes that the ongoing costs for remediation, without demolishing the building, could be several hundreds of thousands of dollars.

Mr. Wadsworth stated that the Board staff received and assessed the information Mr. Murphy spoke of and that the building removal costs were \$22,286, with the 7% sub-contractor markup for a total of \$23,846. The Board staff's analysis determined that, without the building removal, the clean-up would extend another ten years. The staff analyzed groundwater monitoring costs for that ten-year period. The groundwater monitoring costs included monitoring, project management oversight, mobilization, and laboratory costs. Based on the total of those costs, the Board staff determined that paying for half of the building demolition, minus the asbestos abatement costs was reasonable. The asbestos remediation is not covered by the Fund. Mr. Wadsworth stated that the estimated costs for building removal were about \$24,000, and Board staff is recommending \$11,923 be reimbursed for this task.

Mr. Breen asked if it was cheaper to clean-up the site with the building gone. Mr. Wadsworth stated that contamination, as shown from the diagram handed out by Mr. Murphy, is within the property boundaries. He stated a Petroleum Mixing Zone would be a possible option, if the soil contamination was addressed to the maximum extent practicable. Mr. Wadsworth cited ARM 17.58.344(4) which states that corrective action plans that require the removal or replacement of building(s) must be shown to be the most cost-effective option. What the Board staff is willing to concede is that this may not be the most cost-effective action, but roughly half of the building costs, for the overall clean-up of the site, can be saved by choosing this option.

Mr. Breen stated that the full excavation would more likely end in a complete cleanup. Mr. Wadsworth agreed.

Mr. Murphy stated that he was aware of three other sites where buildings were torn down. He stated that the request was only for building demolition costs, not rebuilding.

Mr. Schnider asked how Mr. Wadsworth came up with the recommended reimbursement amount and asked if it was because of ARM 17.58.344(4). Mr. Wadsworth stated that it was, and to reimburse for a building demolition, it must be shown to be cost-effective. Mr. Wadsworth stated that in some of the cases referenced by Mr. Murphy, there was no other alternative than to tear down the building. In those cases, the agreed upon distribution of costs between the owner and the Fund was based on what the contribution was for the clean-up. If another remedy is proposed that costs less, but would extend the life of the clean-up, the overall costs factors are considered.

Mr. Murphy stated that the costs of additional groundwater monitoring will be affected by the number of years the release will be monitored. He said that would be dictated by the number of events per year. The \$11,000 the Board staff is recommending would, in his opinion, only cover a year's worth of monitoring. He stated that there would be many years of monitoring that would be needed, if the appropriate corrective action wasn't taken now. Mr. Murphy said that the appropriate thing for the environment, and in fairness to the owner, who has paid the deductible, would be to have the Fund pay for the building demolition. He said this was only 3% of the overall project costs.

Mr. Breen said that it didn't seem like much a trade-off to just spend the extra money and get the site cleaned up.

Mr. Thamke moved to reimburse the total costs of building demolition, minus the costs for asbestos abatement. Mr. Schnider seconded.

Mr. Rorabaugh asked if the Board had enough information to determine that the expenditure for the building demolition was the most cost-effective choice, as stated in the Board Rules. Mr. Wadsworth said that it would have been nice for the Board to have all the evidence to prove that the choice being made by the Board was the most cost-effective choice. If the Board feels that the evidence presented today was adequate, they can take a vote. Mr. Chenoweth clarified that the Administrative Rules are promulgated to work in accordance with the Statutes and all are the Law of Montana. He said that if the Board members feel that they have enough information to make the decision, then they are acting consistent to the Law.

Mr. Rorabaugh asked if he was correct that the release was from the 1930s. Mr. Wadsworth wasn't sure of the time of the occurrence and indicated that Board staff had knew of several releases at the site, and the release being discussed was discovered July 8, 2015.

Mr. Rorabaugh asked how long it had been since the site had been actively used to store petroleum products. Mr. Wadsworth provided what he knew about the site. He stated that according to the eligibility application, the fuel was not actively being dispensed from the underground storage tank, and that the tank may have been left by previous owners.

Mr. Breen stated that demolition and excavation conducted now removes the question of ongoing costs associated with monitoring and more remediation. Mr. Wadsworth agreed.

Mr. Rorabaugh asked Mr. Murphy if the contamination had been in the ground for decades. Mr. Murphy stated that a Sanborn map showed the tanks in the ground as early as the 1920s, but that didn't mean they had been leaking this whole time.

Mr. Schnider asked what the total costs would be for this work plan. Mr. Wadsworth noted that the Board staff's estimated clean-up costs, as shown on the work plan task cost sheet, were \$284,982. He clarified that the budget number only covers \$11,923 of the demolition costs.

The Board approved the reimbursement of the costs of demolition of the Hyundai/Lithia Building, minus the costs of asbestos abatement. The motion was unanimously approved by voice vote.

Longs Main Stop, Kalispell, Fac #15-06101, Rel # 1850, WP #10961, Priority 3.0

Ms. Steinmetz stated that this was an opportunistic dig out. It had been determined that natural attenuation by itself was not sufficient. A previous work plan had been prepared to conduct chemical oxidation, but once it was known that site construction will make petroleum contaminated soil accessible for excavation, the Remedial Alternatives Analysis (RAA) was revised. The RAA determined that excavation of the source mass, followed by oxygen release compound (ORC) injection in the downgradient smear zone, is the most effective way of remediating the petroleum contamination. This work plan is for excavation only, with the ORC injection deferred until the effectiveness of excavation can be monitored.

Benefits of excavation now include increased effectiveness as seasonal groundwater elevations are typically lower in the Fall, allowing for excavation of larger amounts of soil, and reducing the amount of groundwater entering the excavation that will have to be removed prior to backfilling.

Mr. Wadsworth noted that although this is an opportunistic dig-out, the soils will have to be stored temporarily and moved again. The Board staff is not recommending reimbursement of the extra handling and associated costs, estimated to be about \$8,610.75.

Mr. Thamke asked if it wasn't more beneficial to dig the soil out now instead of waiting until Spring when groundwater is higher. Mr. Wadsworth stated that there are several owners that don't take into consideration the environmental contamination as a component of their redevelopment plans. This happened at the site in Rocker where a building was installed on top of the contamination. At this location, the owner is choosing to do some redevelopment at the site, which makes it an opportunistic dig out. If the owner had taken the environmental component into account, the extra costs would not be incurred. Therefore, Board staff is not recommending reimbursement of these extra costs.

Mr. Breen asked for clarification about soil storage, and handling of the contaminated soils. Mr. Wadsworth stated that the landfill in Kalispell will not take contaminated soil during the winter months. This means that once the excavation is done, the soils have to be stockpiled before they can be moved to the landfill in the spring. These extra costs are being incurred because of the timing chosen by the owner. Mr. Wadsworth recommended that additional costs caused by the owner's actions shouldn't receive reimbursement. He informed the Board that no obligation letter has been sent to the owner and when obligation letters are sent out to the owner, there is opportunity for the owner to come before the Board, if they don't agree with the Board staff recommendation. Mr. Wadsworth clarified for the Board that the staff would be adjusting out those additional costs associated with the extra soil storage and handling. If the owner disagrees, they can make the request for a hearing before the Board.

Town Pump Inc., Shelby, Fac #51-09749, Rel #3440, WP #10915, Priority 1.1

Ms. Steinmetz stated that this was another opportunistic work plan that would combine remediation work with on-site upgrades. The combination of efforts will reduce overall costs for remediation, and resurfacing the property will not be paid using Fund dollars. The estimated work plan costs are currently \$261,455.29, but that will change over time. She said that Board staff had been part of the ongoing discussions.

Mr. Wadsworth stated that the contamination at this site was well-known, and soil removal should have been included as part of the redevelopment plan. He mentioned that there are many releases at this site; some that are eligible, some ineligible, and some that have not yet applied for eligibility. He also noted that there are several phases of remediation; being considered for cleanup of the site, which are currently identified as phases one (1) to three (3), with the possibility of adding a fourth phase. There is contamination between the canopy and US Highway 2 that potentially could be addressed during the redevelopment. Discussions are taking place on how to accomplish that. Mr. Wadsworth stated that the key thing was, due to the unplanned nature of the environmental component, Board staff is working with the owner and contractor to determine which costs will be considered unreasonable. Mr. Wadsworth stated that the costs that have been included in the packet are a moving target right now. There is not a known quantity for total excavation at this site, yet. There was redevelopment work being done before the owner got an environmental consultant involved. Mr. Wadsworth stated it would have been better to have contacted the Department and the consultant before redevelopment began so that the contamination could be dealt with as part of the planning phases of this project.

Mr. Wadsworth asked if that was the last work plan Ms. Steinmetz had. She said it was.

Mr. Wadsworth noted that the budgets provided to the Board by PTC and PTRCB for the first work plan (#10827), at the Former Port of Montana, Butte don't match. There were costs the consultant didn't get submitted at the time of the work plan creation. The estimated budget from Board staff also reflect some adjustments. None of the changes are considered significant.

Mr. Wadsworth stated that at the Carquest Store site in Havre, there are multiple mobilization costs because the consultant is in Bozeman. The Board staff is reducing the budget for work plan #10313 by about \$18,000. The costs would be more reasonable if mobilizations were combined. There is \$9,000 in savings associated with reducing the number of mobilizations. There are also reductions of about \$2,000 related to ground water monitoring costs, \$1,600 related to chemical transport, and about \$1,000 related to other activities at the site.

Mr. Dennis Franks, AJM Inc, asked Mr. Wadsworth to restate the reductions to work plan #10313. Mr. Wadsworth stated that mobilization was being reduced by \$9,290.60, groundwater monitoring by \$2,452.50, chemical shipping to the facility by \$1,635, due to an estimate instead of a bid, and reporting costs of \$472, land rental at \$600, LPD rental at \$747, un-allowed markup of around \$100, and some project management of \$2,940. Those are the costs associated with the reduction to the allowed budget.

Public Forum

Mr. Earl Griffith (EG), owner of GEC, Inc, environmental consulting firm in Helena addressed the Board.

EG: I have three things I would like to discuss. You went through quite a long discussion regarding the dig and removal of the building and I'm going to give you an example of one where, if you don't approach it that way, it's going to cost you. That job in Townsend was an old bulk plant service station. I had to do a dig-out, I wanted to remove the service station. The owner didn't want to do it, thought the building was worth something. I off-handedly remarked that building property was worth probably ten dollars more than the cost of the diesel (unintelligible). The building stayed, and I did an excavation. 1998, \$285,000, I had to take the soil to Great Falls, at the time we didn't have any approved landfarm sites close enough to do it. Eight years later, the County buys the property. The first thing they wanted to do, get rid of the building, thank-you very much. By the way, they had asbestos siding on it. The asbestos siding came off and Sparrow excavating took the building down. In that eight-year period, the clean backfill that I had put into that site was re-contaminated almost 100%, because of what was under that building. The second go around, \$200,000. I remember when I was down the hall here, 35 years ago. The EPA came up with some basic rules; it was called source-removal. Get rid of the source, and you're going to be way ahead of the game, period. If it means that you take down a building that somebody agrees to, get rid of the building. Don't nickel and dime it. Make it go away and you're going to save yourself a ton of money. It's just as simple as that.

The second thing I'd like to talk about is work plan approval. Um, I just submitted a work plan for a small job between here and Great Falls, \$11,000. I had it automatically reduced 20%. That's a fair amount of money. The problem was, is that one of the things that I got reduced on was the data validation task. Now,

all of us who are in the consulting business do data validation. We want to make sure that our labs are not screwing up somewhere; occasionally they do, and we need to find that. So, we all have done data validation. The DEQ came up with a form that we now have to fill out, which will probably be an appendix to the report, not a part of the report. This is where I think the difference lies. Part of my cost reduction was a statement made that data validation is an integral part of the report. No, it's not. I don't start by reports at all, unless my figures and maps are clean, my data tables are clean, the data has been validated and so on, and then I start the report. And it's a stand-alone document, after all this other stuff has been done. Period.

It's just like the Release Closure Plan. That's a new exercise. I'm working on one now that's gonna take a long time, because it's a site that I started in 1990. That's gonna be a stand-alone document. Period. You need to look at that as a stand-alone document. And because I've never done one, I don't know what the hell the things going to cost.

And the third issue, it was interesting on the discussion of who's responsible for what between DEQ and the Board. Like Joe Murphy, I've been in this business since 1989, when things got started. Attorney General, Mark Roscoe, made a decision, and he was very clear about this. The keeper of the technical aspects of this program is the DEQ. Period. No if, ands, or buts. The fiduciary responsibility falls on you folks, as appointed by the Governor, to set policy to direct the staff on how to ensure that fiduciary matters are taken care of. There is no technical expertise to be expected of the technical staff.

I got caught up in that when the first Executive Director, who was an engineer, very smart lady, would ask me about certain kinds of remedial efforts and so on and I would discuss it with her. And it was after that, that Governor Roscoe made that ruling. And, I think you need to keep that in mind, because some of what we deal with, we, the consulting community deal with, is a second guess of what the DEQ says is appropriate, and reasonable, and necessary to get a site taken care of. It puts us in a bind, it makes working with the DEQ extremely difficult, because we can't go to our clients and say well here's the cost as best as I can estimate it. Because, if we are going to get second guessed by your staff, that makes things very, very messy. So, it is just something to keep in mind. Any questions?

Mr. Breen: Anybody else? Are we done?

Mr. Dennis Franks (DF), AJM Inc. addressed the Board.

DF: My name is Dennis Franks, AJM Inc out of Bozeman. And, I think we will take care of this in a work group, but the DEQ has come up with additional sampling protocols for the last several months, considered low flow sampling. And, it's actually a lot more time, labor and equipment to do low flow sampling. And, currently, your staff is trying to put together numbers that will help us do our job better in the field. It costs probably about \$100 or more, per well to do low flow sampling. Because one, you can only do .5 liters per minute, no faster, you have to have a downhole pump, you have to decon that pump, you have to have tubing, you have to take the pump in and out and then decon it between wells. So, the effort, and we are getting good data, it is well worth it, but the effort to get the data just takes a lot longer and so I am hoping that we can work with your staff. And the consultant community, I have talked with a lot of consultants, and they agree that this just takes a lot longer, a lot more effort. So hopefully your staff will understand that and help with the evaluation of the real cost of doing that type of new data collection that has been implemented in the last few months by DEQ. Thank You.

Mr. Breen: Anybody else? (No further discussion took place).

Mr. Breen: I want to thank the Board. We are all volunteers here, and I know that the time you spend here, I mean the day is shot. But, it's all the time you spent going over all the information, I as a member of the industry that this thing is for, commend you, and thank you.

The next scheduled board meeting date is January 28, 2019.

The meeting was adjourned at 12:59 pm.

Presiding Officer Signature

Executive Summary
Rock Creek Exxon – Red Lodge
Facility ID #50-9748, Release #2941

DISPUTE OF ADJUSTMENTS TO CLAIM # 20181130B

TYPE OF ACTION: Dispute of staff adjustments to Claims for Reimbursement for activities performed by the owner’s consultant, Resource Technologies, Inc.

ACTIONS REQUESTED: Request Board review of the facts and circumstances pertaining to staff’s recommended adjustment to Claim #20181130B.

ISSUE: The owner disputes the staff’s recommended adjustment for costs associated with having an unlicensed contractor on site to oversee the monitoring well abandonment activity.

The law requires the Board to reimburse the owner for costs that the Board has determined are actual, reasonable, and necessary costs of responding to the release and implementing the department approved corrective action plan. The disputed costs are actual, however they are not considered necessary or reasonable.

The Board staff does not consider it to be necessary or reasonable for a Montana state special revenue fund to reimburse for an **unlicensed** contractor to be at the site during the well abandonment/decommissioning by a licensed driller, unless good justification is provided that would warrant such oversight and mobilization costs. At times, when good justification is provided, the staff will consider well abandonment oversight to be necessary or reasonable. However, no justification was provided to warrant oversight.

The licensed water well professional is responsible for the well abandonment activity and is required, by law, to abandon wells according to DNRC regulations. There is no state requirement to have an unlicensed contractor at the site during the well abandonment.

BOARD STAFF RECOMMENDATION: The Fund should not be reimbursing for the unnecessary costs to have an unlicensed contractor on site to oversee the well abandonment activity.

CHRONOLOGY:

6/1/2018	Department requires a work plan to abandon monitoring wells.
6/12/2018	Work Plan 10868 created by Consultant.
7/1/2018	Department approves Work Plan 10868.
8/7/2018	Board staff sends owner an obligation letter. The letter specifically states “the costs to have an unlicensed contractor on site to oversee the well abandonment activity are not considered reasonable or necessary.”
10/16/2018	Consultant sends PTRCB an email stating that they will have an experienced environmental professional on site to oversee and document

	proper well abandonment and feel these costs are eligible for reimbursement under MCA 75-11-307(a).
10/17/2018	Consultant mobilizes to site and oversees the licensed water well contractor, HazTech Drilling, Inc., abandon three monitoring wells.
11/30/2018	PTRCB receives Claim #20181130B for a claimed amount of \$3,048.92.
12/11/2018	Board staff recommends reducing the claim by \$834.87 for costs associated with an unlicensed contractor on site to oversee the well abandonment activity, which are not considered reasonable or necessary.
12/21/2018	Owner sends PTRCB a written request to dispute the recommended adjustments before the Board.
2/11/2018	Board meeting.

STATUTES AND RULES:

75-11-309, MCA Procedures for reimbursement of eligible costs -- corrective action plans.

- (1) An owner or operator seeking reimbursement for eligible costs and the department shall comply with the following procedures:
 - (h)(ii) The board shall review each claim and determine if the claims are actual, reasonable, and necessary costs of responding to the release and implementing the corrective action plan.
- (3) The board shall review each claim received under subsections (1)(h) and (1)(i), make the determination required by this subsection, inform the owner or operator of its determination, and, as appropriate, reimburse the owner or operator from the fund. Before approving a reimbursement, the board shall affirmatively determine that:
 - (a) the expenses for which reimbursement is claimed:
 - (i) are eligible costs; and
 - (ii) were actually, necessarily, and reasonably incurred for the preparation or implementation of a corrective action plan approved by the department or for payments to a third party for bodily injury or property damage; and
- (4)(a) If an owner or operator disagrees with a board determination under subsection (3), the owner or operator may submit a written request for a hearing before the board.

37-43-302. License Required

- (1) The drilling, making, or construction of water wells and monitoring wells is declared to be a business and activity affecting the public interest and requiring reasonable standards of competence. Except as provided in subsection (2), it is unlawful for any water well contractor, water well driller, or monitoring well constructor to construct, **alter**, or rehabilitate a water well or a monitoring well **without first having obtained a valid license** therefor as provided for in this chapter. An individual who is licensed as a water well contractor is not required to have a separate water well driller's license to perform the actual construction work on the well or a separate license to install monitoring wells.

OPTIONS:

1. Ratify the staff recommendation.
2. Reject the staff recommendation, propose an alternative and provide rationale for decision.

~December 21, 2018

Dear Mr. Eaton,

Pursuant to your notification of December 11, 2018, I would like to inform you that we wish to dispute the recommended adjustments to Claim ID #20181130B to the Petroleum Tank Release Compensation Board and we authorize a representative from our consultant, Resource Technologies, Inc., to represent our interests at the Board meeting.

Regards,

Julie Lindgren

Rockin J, Inc.

Eaton, Ross

From: Eaton, Ross
Sent: Wednesday, January 02, 2019 8:36 AM
To: 'rockinj1@vcn.com'
Cc: Mark - Resource Technologies
Subject: RE: Recommended Adjustments for Claim ID 20181130b, Work Plan 10868, Release 2941

Thanks Julie for providing your request to have this matter placed on a Board meeting agenda. The Board meeting will take place on February 11, 2019 at 10:00am ([PTRCB 2019 Board Meetings](#)). Let me know if you have any questions.

Thanks,

Ross Eaton

Fund Cost Specialist

PTRCB

Email: reaton@mt.gov

Phone: (406) 444-9716

Website: <http://deq.mt.gov/DEQAdmin/pet>

From: rockinj1@vcn.com [mailto:rockinj1@vcn.com]
Sent: Friday, December 21, 2018 11:18 AM
To: Eaton, Ross <REaton@mt.gov>
Subject: Re: Recommended Adjustments for Claim ID 20181130b, Work Plan 10868, Release 2941

On 2018-12-11 15:24, Eaton, Ross wrote:

Julie Lindgren, Mark Johnson, and Christie Rosanova,

Please find attached the recommended adjustments for Claim ID 20181130b. This claim has temporarily been suspended to allow you an opportunity to comment on the proposed adjustment within 14 calendar days.

Sincerely,

Ross Eaton

Fund Cost Specialist

PTRCB

Email: reaton@mt.gov

Phone: (406) 444-9716

February 11, 2019
ACTION ITEM

ELIGIBILITY RATIFICATION

*Board Staff Recommendations Pertaining to Eligibility
From October 31, 2018 through December 11, 2018*

<i>Location</i>	<i>Site Name</i>	<i>Facility ID #</i>	<i>DEQ Rel # Release Year</i>	<i>Eligibility Determination – Staff Recommendation Date</i>
Lewistown	PJG Motorsport	1408126	5213 Apr 2015	Recommended Eligible. Reviewed 12/8/2018.
Nashua	MDT Nashua Tank	6015325	5285 July 2018	Petroleum Released from Eligible tank recommended eligible. Reviewed 1/14/2019.
Norris	McLeod Mercantile (Norris Sinclair)	5614138	5254 Oct 2017	Recommended Eligible. Reviewed 4/23/2018.

RATIFICATION OF WEEKLY REIMBURSEMENTS

WEEKLY CLAIM REIMBURSEMENTS February 11, 2019 BOARD MEETING		
Week of	Number of Claims	Funds Reimbursed
November 7, 2018	20	\$215,936.62
November 14, 2018	21	\$196,729.16
November 21, 2018	19	\$137,227.71
November 28, 2018	11	\$41,728.44
December 5, 2018	19	\$157,141.67
December 12, 2018	11	\$242,757.11
Total	101	\$991,520.71



Petroleum Tank Release Compensation Board

Weekly Reimbursement Summary for 11/7/2018

Org Unit: 993050
Account: 67201

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim	Reimbursement	Cumulative Reimb	Adjustments	Task Description
20181016A	1402289	4653	Hilger Country Store	Hilger	12/30/2015	\$583.82	\$22,471.59		Work Plan
20181016B	5405552	719	Bobs Chevron	Harlowton	1/16/1992	\$2,128.22	\$17,150.46		Laboratory Analysis w/fee
20181016C	804017	499	Robertson Oil Co Big Sandy	Big Sandy	11/26/1991	\$1,779.10	\$736,702.28		Work Plan
20181018A	6015070	4542	Former Amoco	Polson	5/15/2008	\$180,434.00	\$441,548.43		Soil Removal
20181018F	2406862	193	Bjork Distributing Four Corners	Polson	7/18/1991	\$1,921.08	\$527,753.66		Monitoring
20181018G	2403406	198	Beacon Tire Center Inc	Polson	8/6/1991	\$1,921.08	\$513,285.80		Monitoring
20181018H	2413352	2131	Polson Optical Building Partnership	Polson	10/15/2013	\$960.54	\$42,447.02		Monitoring
20180326C	1510105	4155	Town Pump Inc Whitefish 2	Whitefish	6/24/2003	\$1,531.28	\$914,504.05	\$1,531.28	Work Plan
20180330D	1510105	4155	Town Pump Inc Whitefish 2	Whitefish	6/24/2003	\$320.92	\$914,504.05	\$320.93	Project Management
20180831A	306483	4252	Andys Exxon	Chinook	4/5/2004	\$9,495.84	\$325,357.15		Well Installation
20180904A	1502459	192	Roundup Country Store Inc	Whitefish	4/19/1990	\$1,531.28	\$20,137.63	\$0.00	Work Plan
20180904B	1502459	192	Roundup Country Store Inc	Whitefish	4/19/1990	\$320.92	\$20,137.63	\$0.00	Project Management
20180917B	5405552	719	Bobs Chevron	Harlowton	1/16/1992	\$969.41	\$17,150.46		Monitoring
20180924H	6015070	4542	Former Amoco	Polson	5/15/2008	\$1,625.00	\$441,548.43	\$120.00	Project Management
20181005B	2107467	826	Cenex Supply & Marketing Havre	Havre	9/24/1991	\$3,797.19	\$506,703.78	\$2,531.46	Laboratory Analysis w/fee
20181010H	5003596	1469	Mountain View Coop Fairfield	Fairfield	9/27/1994	\$307.50	\$233,368.71		Work Plan
20181010I	5003596	4385	Mountain View Coop Fairfield	Fairfield	3/8/2013	\$307.50	\$50,356.10		Work Plan
20181012D	701418	3212	Keiths Country Store	Great Falls	10/5/2000	\$3,043.72	\$516,795.16		Remediation System
20181012G	2503918	4063	Noons 438	Helena	12/12/2001	\$1,689.22	\$208,489.58		Laboratory Analysis w/fee
20181015C	9995156	5029	Community Oil Co	Reserve	10/7/2016	\$1,269.00	\$21,527.26		Project Management

20 claims in the report

Total Reimbursement: \$215,936.62

Friday, November 09, 2018

Payment Reports _ Weekly Reimbursement by Date

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim Reimbursement	Cumulative Reimb	Adjustments	Task Description
----------	-------------	------------	---------------	------	-----------------------------	------------------	-------------	------------------

Reviewed for Reimbursement by: [Signature]

Date 11/13/2018

Approved for Reimbursement by: [Signature]

Date 11/20/18



Petroleum Tank Release Compensation Board

Weekly Reimbursement Summary for 11/14/2018

Org Unit: 993050
Account: 67201

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim	Reimbursement	Cumulative Reimb	Adjustments	Task Description
20180924R	1503151	4118	Oles Country Store 5	Kalispell	10/1/2002	\$1,301.35	\$47,022.25	\$236.15	Laboratory Analysis w/fee
20181012C	2501025	4031	Allen Oil Bulk Plant	Helena	9/26/2005	\$2,849.25	\$432,759.03		Laboratory Analysis w/fee
20181018B	6015070	4542	Former Amoco	Polson	5/15/2008	\$43,955.24	\$581,503.67		Fieldwork
20181018C	6015070	4542	Former Amoco	Polson	5/15/2008	\$96,000.00	\$581,503.67		Soil Removal
20181018D	1804137	3424	Ben Taylor Inc	Cut Bank	5/17/1999	\$2,068.80	\$468,319.40		Mobilization
20181018E	5613778	4422	Unocal Bulk Plant	Polson	1/5/2006	\$1,156.00	\$182,460.90		Mobilization
20181018K	2504619	3330	Gasamat 563	Helena	8/17/1999	\$13,186.23	\$330,551.84		Well Installation
20181018L	3203617	4769	Swan Valley Centre	Condon	1/21/2010	\$223.34	\$245,983.43		Miscellaneous
20181018M	709914	1533	Holiday Station #10 - Former Fox Farm Exx	Great Falls	12/27/1993	\$550.00	\$110,781.71		Report
20181018O	2405957	487	Pier 93	Polson	12/14/1990	\$3,454.00	\$45,210.47		Laboratory Analysis w/fee
20181019A	905859	5027	B & C OIL	Miles City	10/30/2017	\$1,925.62	\$17,813.23	\$1,612.38	Report
20181019B	703244	4206	Kings Hill Grocery	Neihart	3/7/2001	\$4,850.20	\$65,317.04		Report
20181022D	2102475	3259	Toners Tire Rama	Rudyard	9/29/2016	\$1,416.00	\$43,377.87		Report
20181022F	1113942	3767	Realty One	Glendive	5/23/2001	\$1,870.00	\$61,798.83	\$341.75	Work Plan
20181025A	705751	4697	Yellowstone Truck Stop Great Falls	Great Falls	11/17/2010	\$7,398.89	\$116,088.16		Laboratory Analysis w/fee
20181025C	5613941	3855	Chevron Gas Station & Bulk Plant	Miles City	7/19/2013	\$1,771.95	\$27,995.71		Monitoring
20181025E	5604534	4284	Former Walters Bulk Plant	Billings	9/24/2008	\$4,819.14	\$70,956.83		Report
20181026A	306483	4252	Andys Exxon	Chinook	4/5/2004	\$620.27	\$325,977.42		Project Management
20181026C	9995128	4877	NAPA Auto Parts	Great Falls	3/28/2012	\$5,345.48	\$113,278.63		Laboratory Analysis w/fee
20181026D	704004	549	Westgate Exxon	Great Falls	11/9/2006	\$1,577.40	\$232,347.70		Survey
20181030A	4611342	4615	Herman Oil Inc Homestead	Homestead	2/18/2014	\$390.00	\$593,517.38		Laboratory Analysis w/fee

21 claims in the report

Total Reimbursement: \$196,729.16

Tuesday, November 13, 2018

Payment Reports _ Weekly Reimbursement by Date

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim	Reimbursement	Cumulative Reimb	Adjustments	Task Description
----------	-------------	------------	---------------	------	---------------	---------------	------------------	-------------	------------------

Reviewed for Reimbursement by: *[Signature]*

Date *11/21/2018*

Approved for Reimbursement by: *[Signature]*

Date *11/28/18*



Petroleum Tank Release Compensation Board

Weekly Reimbursement Summary for 11/21/2018

Org Unit: 993050
Account: 67201

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim	Reimbursement	Cumulative Reimb	Adjustments	Task Description
20181101D	4905153	4213	Oie Motor Co Inc	Big Timber	7/30/1999	\$473.27	\$142,805.49		Miscellaneous
20181101E	4905153	104	Oie Motor Co Inc	Big Timber	10/21/1999	\$473.27	\$365,556.52		Miscellaneous
20181101I	403456	3946	Town Pump Inc Townsend	Townsend	10/20/2000	\$1,359.76	\$253,498.68		Rem Sys Op & Maint
20181022C	3710231	4383	Ben Taylor Inc	Valier	9/18/2007	\$4,917.52	\$48,777.91		Report
20181025D	2501025	4031	Allen Oil Bulk Plant	Helena	9/26/2005	\$14,669.30	\$447,428.33		Well Installation
20181025H	6015070	4542	Former Amoco	Polson	5/15/2008	\$59,522.48	\$641,026.15		Soil Removal
20180420A	4706099	4250	Bruces Quick Lube Inc	Butte	3/4/2005	\$27,071.60	\$176,042.02		Miscellaneous
20180720A	4703979	4470	Cenex Convenience Store	Butte	9/22/2006	\$4,000.00	\$129,712.60		Laboratory Analysis w/fee
20180817A	5606949	661	Valley Food/Kautz's Stop & Shop	Shepherd	10/11/1991	\$715.00	\$130,803.60	\$809.00	Work Plan
20180919A	9995040	4941	Red Lion Hotels	Kalispell	11/15/2013	\$4,109.00	\$198,311.33	\$110.49	Report
20180919B	9995040	4535	Red Lion Hotels	Kalispell	6/6/2008	\$5,423.33	\$275,258.36	\$1,070.25	Soil Borings
20181010J	704232	1855	Big Sky Fuel	Black Eagle	6/27/1994	\$1,395.85	\$73,168.87		Monitoring
20181010K	704232	3262	Big Sky Fuel	Black Eagle	4/4/2001	\$1,395.85	\$77,851.02		Monitoring
20181018I	1805813	2909	P & M Convenience Store 433	Browning	10/11/1996	\$2,250.00	\$234,016.54		Report
20181018J	1805813	3001	P & M Convenience Store 433	Browning	3/4/1997	\$125.00	\$14,190.30	\$125.00	Report
20181018N	1503151	4118	Oles Country Store 5	Kalispell	10/1/2002	\$2,578.50	\$49,600.75		Report
20181022E	1805266	4226	Jims Bulk Plant Inc	Browning	10/27/1999	\$570.38	\$300,594.74		Work Plan
20181025B	2501313	4412	E Z Stop West	Helena	8/9/2005	\$615.00	\$35,819.52		Work Plan
20181101A	6015135	4723	Tire-Rama Found Tanks	Havre	7/14/2009	\$5,562.60	\$193,888.42		Project Management
19 claims in the report				Total Reimbursement: \$137,227.71					

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim Reimbursement	Cumulative Reimb	Adjustments	Task Description
----------	-------------	------------	---------------	------	-----------------------------	------------------	-------------	------------------

Reviewed for Reimbursement by: *[Signature]* Date *12/3/2018*

Approved for Reimbursement by: *[Signature]* Date *12/10/2018*



Petroleum Tank Release Compensation Board

Weekly Reimbursement Summary for 11/28/2018

Org Unit: 993050
Account: 67201

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim	Reimbursement	Cumulative Reimb	Adjustments	Task Description
20180323B	9995057	4621	Former Texaco Station	Conrad	2/20/2009	\$1,200.00	\$467,191.34		Report
20180323C	3703293	4650	Conrad Motor & Tire	Conrad	2/20/2009	\$1,500.00	\$116,122.10		Report
20180323D	3708443	515	MDT ROW F21 1 5 4 Twin Service	Conrad	9/30/1993	\$1,200.00	\$166,609.26		Report
20180831E	3701649	123	Mountain View Coop Conrad Fmr Farmers	Conrad	10/10/1990	\$2,141.59	\$344,398.59		Report
20180831F	3701649	4953	Mountain View Coop Conrad Fmr Farmers	Conrad	3/10/2014	\$579.19	\$6,587.46	\$579.20	Report
20181022A	1800856	4725	Bell Motor Co	Cut Bank	6/3/2010	\$5,204.67	\$11,945.77	\$5,371.41	Laboratory Analysis w/fee
20181022I	3704038	411	MDT 32 Conrad Site	Conrad	10/6/1992	\$11,985.19	\$44,482.35	\$1,255.50	Miscellaneous
20181025F	9995164	5061	BNSF, former Tepee Motor Co. # 5061	Forsyth	8/13/2018	\$3,079.07	\$3,621.82	\$3,079.06	Fieldwork
20181101J	208703	4581	Town Pump Inc	Hardin	8/30/2007	\$1,970.02	\$301,648.61		Report
20181101K	208703	3437	Town Pump Inc	Hardin	9/24/2002	\$1,970.02	\$378,156.34		Report
20180731C	703244	4206	Kings Hill Grocery	Neihart	3/7/2001	\$10,898.69	\$65,317.04	\$6,182.28	Report
11 claims in the report					Total Reimbursement: \$41,728.44				

Reviewed for Reimbursement by: [Signature]

Date 12/3/2018

Approved for Reimbursement by: [Signature]

Date 12/11/2018



Petroleum Tank Release Compensation Board

Weekly Reimbursement Summary for 12/5/2018

Org Unit: 993050
Account: 67201

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim	Reimbursement	Cumulative Reimb	Adjustments	Task Description
20181011A	2100131	3589	Northern Tire Buff N Shine	Havre	6/7/1999	\$3,292.33	\$144,046.92	\$1,672.13	Monitoring
20181015A	904443	4800	The Short Stop Store	Miles City	6/27/2014	\$642.93	\$209,738.97	\$7,290.74	Miscellaneous
20181015B	904443	4800	The Short Stop Store	Miles City	6/27/2014	\$1,734.66	\$209,738.97	\$10,288.99	Miscellaneous
20181022H	4710410	1743	Morris Marketing Co	Butte	8/5/2013	\$6,900.50	\$110,296.09		Report
20181026B	2107467	826	Genex Supply & Marketing Havre	Havre	9/24/1991	\$2,289.00	\$508,992.78	\$1,526.00	Laboratory Analysis w/fee
20181101L	701418	3212	Keiths Country Store	Great Falls	10/5/2000	\$2,083.25	\$518,878.41		Remediation System
20181105A	2413105	1585	Safeway Polson	Polson	8/25/1993	\$9,256.33	\$199,376.22		Soil Borings
20181105C	6015070	4542	Former Amoco	Polson	5/15/2008	\$30,511.00	\$689,767.15		Soil Removal
20181109C	704232	1855	Big Sky Fuel	Black Eagle	6/27/1994	\$3,145.07	\$76,313.94		Laboratory Analysis w/fee
20181109D	704232	3262	Big Sky Fuel	Black Eagle	4/4/2001	\$3,145.07	\$80,996.09		Laboratory Analysis w/fee
20181114A	1804137	3424	Ben Taylor Inc	Cut Bank	5/17/1999	\$253.68	\$468,573.08		Miscellaneous
20181116B	6015135	4723	Tire-Rama Found Tanks	Havre	7/14/2009	\$67,317.02	\$261,205.44		Soil Removal
20181114C	6015070	4542	Former Amoco	Polson	5/15/2008	\$1,090.00	\$689,767.15	\$80.00	Project Management
20181119C	704004	549	Westgate Exxon	Great Falls	11/9/2006	\$1,836.72	\$234,184.42		Work Plan
20181126B	6015070	4542	Former Amoco	Polson	5/15/2008	\$17,140.00	\$689,767.15		Laboratory Analysis w/fee
20181126L	2906376	3689	Farmers Union Oil Co Circle	Circle	4/15/2015	\$5,462.00	\$132,655.99		Laboratory Analysis w/fee
20181114D	2406862	193	Bjork Distributing Four Corners	Polson	7/18/1991	\$416.85	\$528,170.51		Miscellaneous
20181114E	2403406	198	Beacon Tire Center Inc	Polson	8/6/1991	\$416.84	\$513,702.64		Miscellaneous
20181114F	2413352	2131	Polson Optical Building Partnership	Polson	10/15/2013	\$208.42	\$42,655.44		

19 claims in the report

Total Reimbursement: \$157,141.67

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim Reimbursement	Cumulative Reimb	Adjustments	Task Description
----------	-------------	------------	---------------	------	-----------------------------	------------------	-------------	------------------

Reviewed for Reimbursement by: *[Signature]* Date *12/10/2018*

Approved for Reimbursement by: *[Signature]* Date *12/20/2018*



Petroleum Tank Release Compensation Board

Weekly Reimbursement Summary for 12/12/2018

Org Unit: 993050
Account: 67201

Claim ID	Facility ID	Release ID	Facility Name	City	Initial Claim	Reimbursement	Cumulative Reimb	Adjustments	Task Description
20170216A	5405552	719	Bobs Chevron	Harlowton	1/16/1992	\$1,341.99	\$64,660.07	\$1,069.72	Project Management
20170213T	1402289	4653	Hilger Country Store	Hilger	12/30/2015	\$2,400.00	\$200,994.58		Work Plan
20170221D	5405552	719	Bobs Chevron	Harlowton	1/16/1992	\$40,678.30	\$64,660.07	\$217.35	Soil Removal
20170302B	5405552	719	Bobs Chevron	Harlowton	1/16/1992	\$5,489.32	\$64,660.07	\$572.50	Fieldwork
20170417B	1402289	4653	Hilger Country Store	Hilger	12/30/2015	\$133,474.91	\$200,994.58	\$3.32	Soil Removal
20170417C	1402289	4653	Hilger Country Store	Hilger	12/30/2015	\$42,648.08	\$200,994.58	\$1,282.25	Miscellaneous
20180910C	2104150	245	Myers Oil	Havre	9/19/1991	\$4,445.15	\$105,683.45		Laboratory Analysis w/fee
20181101B	5610270	638	Deans Sinclair Service	Laurel	6/25/1991	\$5,235.44	\$292,869.36	\$993.19	Laboratory Analysis w/fee
20181114I	3209722	4280	Fort Lolo Hot Springs	Lolo	5/4/2005	\$709.38	\$556,587.26		Miscellaneous
20181119A	5613793	3835	Equity Coop Association	Harlem	3/14/2002	\$5,006.54	\$61,912.87		Laboratory Analysis w/fee
20181126C	2504619	3330	Gasamat 563	Helena	8/17/1999	\$1,328.00	\$364,512.02		Laboratory Analysis w/fee
11 claims in the report					Total Reimbursement: \$242,757.11				

Reviewed for Reimbursement by: Janet E. Dolph Date 1-8-19

Approved for Reimbursement by: Jerry Wadsworth Date 1/07/19



Petroleum Tank Release Compensation Board

Claims Denied Between 01/01/2018 and 01/16/2019 and Not Ratified

Facility ID/Alt ID: 5608671 / 56-08671 **Facility Name:** Billings, Town Pump Inc Billings 2

<i>ClaimID</i>	<i>Release ID</i>	<i>Amount</i>	<i>Date Denied</i>	<i>Reason Denied</i>
20181203B	2007	\$397.13	12/6/2018	Withdrawn per consultant's request due to the minimum claim value requirement.

Total: \$397.13

Grand Total: **\$397.13**

TOTAL NUMBER OF CLAIMS FOR THIS REPORT: 1

Reviewed By: *Tony Wadsworth* Date: 1/29/19

Board Approval By: _____ Date: _____

CLAIMS OVER \$25,000.00 *
February 11, 2019

Facility Name Location	Facility- Release ID#	Claim#	Claimed Amount	Adjustments	Penalty	Co-pay	**Estimated Reimbursement
Winnett Tire, Butte	3500536- 3694	20181101N	\$57,673.39	\$3,365.60	-0-	-0-	\$54,307.79
Gasamat 563, Helena	2504619- 3330	20181114H	\$32,632.18	-0-	-0-	-0-	\$32,632.18
Total			\$90,305.57				\$86,939.97

* In accordance with Board delegation authority to the Executive Director signed on December 8, 2003, the Board staff will review the claims for the Board. If the dollar amount of the claim is \$25,000.00 or greater, the claim must be approved and ratified by the Board at a regularly scheduled meeting before reimbursement can be made.

**In the event that other non-Board claims are paid in the period between preparation for this Board meeting and payment of the claim listed above, the amount of co-payment remaining may differ from that projected at this time, which may change the estimated reimbursement.

Reviewed for Reimbursement by: Zeng Wedaworth Date 1/29/19

Board Approval by: _____ Date _____



Petroleum Tank Release Compensation Board

PO Box 200902 Helena, MT 59620-0902 (406)444-9710 Website <http://deq.mt.gov/DEQAdmin/pet>

December 10, 2018

G S Oil (OWNER)

Gary Smith
PO Box 149
Roy, MT 59471 - 0149

Location Winnett
Facility ID 3500536
Facility Name Winnett Tire

SUBJECT: Recommended Adjustment(s) to Claim for Reimbursement

The Board staff has proposed the following adjustment(s) to this claim and has temporarily suspended it to allow an opportunity for you to comment on the proposed adjustment(s). Review the adjustments and contact me by phone or email within 14 calendar days of this date to discuss the specifics of any issue(s) you may have with the adjustment(s). After 14 days, the suspended claim will be released for processing.

If the adjustment can't be resolved at the staff level, you may dispute the proposed adjustment(s) at the next Board meeting. Should this be necessary, please notify me via email so that I may request to have this matter placed on the agenda of the meeting. Once the Board has made a determination, any dispute will be conducted according to Montana Code Annotated and compliant with the Montana Administrative Procedures Act.

Claim ID: 20181101N Release ID: 3694 Ordinal: 5
Claim Amount: \$57,673.39 Reimbursement To-date: \$6,525.66

Adjustments:

<u>Action</u>	<u>Amount</u>	<u>Comment</u>
Reduced	\$156.17	Amount claimed for car rental and gas was not included in Task Order budget.
Reduced	\$58.80	Visqueen amount claimed reduced by discount on Home Depot receipt.
Reduced	\$1,012.88	Mileage claimed exceeds amount budgeted.
Reduced	\$2,137.75	Excavation labor claimed exceeds amount budgeted.

Total Adjustment \$3,365.60

If you have any questions please contact me at (406) 444-9717 or via email jadydan@mt.gov.

Sincerely,

JoAnne Adydan
Fund Cost Specialist

20181101N

**MONTANA PETROLEUM TANK RELEASE COMPENSATION BOARD
CLAIM FOR REIMBURSEMENT –CORRECTIVE ACTION
FORM 3**

Claims should be submitted upon completion of a task or tasks of a Department of Environmental Quality corrective action plan for a **single** petroleum release. A **separate claim form is required for each release**. Please review the Form 3 Instructions before completing this form. If you require assistance, contact Janet Adolph at 406-444-9714 or e-mail jaadolph@mt.gov.

1. Facility and Petroleum Release Information		
Name of Facility:	Winnett Tire	RECEIVED NOV 1 2018
Street Address:	115 N Broadway	
City:	Winnett, MT 59087	
DEQ Facility Identification Number:	3500536	Petroleum Tank Release Compensation Law
DEQ Petroleum Release Number: (only one release #)	3694	

2. Owner – Name and Address		3. Operator – Name and Address		4. Payable to: – Name and Address (Required)	
GS Oil				Olympus Technical Services, Inc.	
P.O. Box 149				765 Colleen Street	
Roy, MT 59741-0149				Helena, MT 59601	
Attn:	Gary Smith	Attn:		Attn:	Alan Stine
Phone Number:	406-464-2221	Phone Number:		Phone Number:	406-443-3087
Fax Number:		Fax Number:		Fax Number:	406-443-0232
Email Address:	gsoil@midrivers.com	Email Address:		Email Address:	astine@olytech.com
Do you want to receive Email about this claim?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Do you want to receive Email about this claim?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Do you want to receive Email about this claim?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

5. Claimant – Name and Address		6. Consultant – Name and Address		7. Any other person – Name and Address	
Olympus Technical Services, Inc.					
765 Colleen Street					
Helena, MT 59601					
Attn:	Jennifer Steilmann	Attn:		Attn:	
Phone Number:	406-443-3087	Phone Number:		Phone Number:	
Fax Number:	406-443-0232	Fax Number:		Fax Number:	
Email Address:	jsteilmann@olytech.com	Email Address:		Email Address:	
Do you want to receive Email about this claim?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Do you want to receive Email about this claim?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Do you want to receive Email about this claim?	Yes <input type="checkbox"/> No <input type="checkbox"/>

8. Total amount of this claim (including all page 2's):	\$57,673.39
--	-------------

E-MAILED
11-2-18

171

Facility Name: Winnett Tire

Facility # 3500536

Release# 3694

9. Detail of Costs: This section must be completed for each corrective action plan (CAP).

Please review Form 3 Instructions for detailed information.

The work claimed must be in accordance with an approved DEQ CAP. The costs of each different corrective action plan must be on a separate page 2. Multiple tasks may be submitted on a single claim. Submit itemized invoices and other support documentation with this claim. (Additional copies of this page may be included in each claim.)

Corrective Action Plan (CAP): CAP ID # 10861 CAP Date: 7/5/2018

CAP Modification (Form 8) Date (s) _____

View the Task Names on our web site. Enter the PTRCB task number, task name, budget, amount claimed and corresponding invoice number(s) for each task in the table below. The PTRCB task number is assigned by the Board staff in the CAP Review Letter.

COMPLETED TASKS SUBMITTED FOR REIMBURSEMENT

Task Number	Task Name	Budget	Amount Claimed	Invoice Numbers
1	Work Plan	\$460.00		
2	Project Management	\$1,315.24		
3	Soil Removal	\$12,800.59		RECEIVED
4	Soil Removal	\$4,788.92		
5	Soil Removal	\$54,337.42		NOV 1 2018
6	Miscellaneous	\$2,000.00		
7	Lodging/Per Diem	\$440.00		Petroleum Task Release
8	Laboratory Analysis w/fee	\$1,300.00		Characterization Team
9	Report - AR-04	\$2,940.00		
10	Report - Release Closure Plan Creation	\$1,020.00		
	Submit as whole Invoice amount ok per JoAnne		\$2,246.58	#15054 (OTS July 2018)
	Submit as whole Invoice amount ok per JoAnne		\$55,426.81	#15109 (OTS Aug 2018)
	Submit as whole Invoice amount ok per JoAnne			
Total		\$81,402.17	\$57,673.39	

10. Acknowledgement of Payment (Form 6) is required for each invoice. Refer to Section 10 of the instructions for acceptable proof of payment. Reimbursement will be issued and mailed to the party identified as Payee in Section 4 on page 1.

11. An Assent to Audit (Form 2) is required for each consultant, contractor, or subcontractor who has worked at the release site with billable labor charges.

12. Owner Certification: I certify under penalty of perjury that this submitted claim is for work that was actually completed; that the work performed was necessary to clean up the petroleum release at the facility identified in Section 1; that the cost of work for which reimbursement is sought is reasonable; and that to the best of my knowledge, all information herein provided is true and correct. **NOTE: If someone is submitting the claim on behalf of the owner/operator, skip Section 12 and complete Section 13. See the Form 3 instructions.**

Owner/Operator Signature _____

Date _____

Typed Name of Owner/Operator _____

State of _____ County of _____ Signed and Sworn before me on this day _____ Date (SEAL)	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> RECEIVED NOV 1 2018 </div> by <u>Petroleum Tank Release Compensation Board</u> _____ Notary Public _____ Printed or typed _____ Notary Public for the State of _____ Residing at _____ My Commission Expires _____
--	--

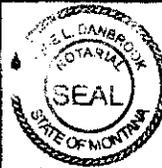
13. Claimant Certification: I certify under penalty of perjury that I am authorized to submit claims on behalf of the owner or operator for this release and the information on this claim form is true to the best of my knowledge. This claim is submitted for work that was actually completed.

Jennifer Steilmann
 Claimant Signature _____

10/31/18
 Date _____

Jennifer Steilmann

Typed Name of Claimant _____

State of <u>Montana</u> County of <u>Lewis & Clark</u> Signed and Sworn before me on this day <u>10/31/18</u> Date <div style="border: 1px solid black; padding: 5px; display: inline-block;">  <p>(SEAL) J. L. DANBROOK NOTARY PUBLIC for the State of Montana Residing at Helena, Montana My Commission Expires June 19, 2019</p> </div>	by <u>Jennifer Steilmann</u> <i>Janie L. Danbrook</i> Notary Public Janie Danbrook _____ Printed or typed _____ Notary Public for the State of <u>MT</u> Residing at <u>Helena, MT</u> My Commission Expires <u>June 19, 2019</u>
---	--

Submit this completed claim and supporting documents to the following address:
PETROLEUM TANK RELEASE COMPENSATION BOARD
PO BOX 200902, HELENA MT 59620-0902



Petroleum Tank Release Compensation Board

Work Plan Task Costs

Facility ID: 3500536

FacilityName: Winnett Tire

City: Winnett

Release ID: 3694

WP ID: 108613694

WP Name: C-B-SR/TO

WP Complete:

WP Date:

07/05/2018

Task #	Task Name	Phase	Estimated Cost	Actual Cost	Balance	Comment
1	Work Plan	C	\$460.00	\$59.08	\$400.92	
2	Project Management	C	\$1,315.24	\$435.48	\$879.76	
3	Soil Removal	C	\$12,800.59	\$12,601.99	\$198.60	
4	Soil Removal	C	\$4,788.92	\$5,217.98	(\$429.06)	
5	Soil Removal	C	\$54,337.42	\$29,959.99	\$24,377.43	
6	Miscellaneous	C	\$2,000.00	\$2,187.50	(\$187.50)	
7	Lodging/Per Diem	C	\$440.00	\$216.00	\$224.00	
8	Laboratory Analysis w/fee	C	\$1,300.00	\$1,890.50	(\$590.50)	
9	Report	C	\$2,940.00	\$1,739.27	\$1,200.73	
10	Report	C	\$1,020.00			
Total:			\$81,402.17	\$54,307.79	\$27,094.38	

208114H

**MONTANA PETROLEUM TANK RELEASE COMPENSATION BOARD
CLAIM FOR REIMBURSEMENT - CORRECTIVE ACTION
FORM 3**

Claims should be submitted upon completion of a task or tasks of a Department of Environmental Quality corrective action plan for a **single** petroleum release. A **separate claim form is required for each release**. Please review the **Form 3 Instructions** before completing this form. If you require assistance, contact Janet Adolph at 406-444-9714 or e-mail jaadolph@mt.gov.

1. Facility and Petroleum Release Information	
Name of Facility:	Gasamat #563
Street Address:	61752 Montana Avenue
City:	Helena, MT 59620
DEQ Facility Identification Number:	25-04619
DEQ Petroleum Release Number: (only one release #)	3330

RECEIVED
NOV 14 2018
Petroleum Tank Release
Compensation Board

2. Owner - Name and Address	3. Operator - Name and Address	4. Payable to: - Name and Address (required)
Hi-Noon Petroleum, Inc.		West Central Environmental Consultants, Inc. (WCEC)
P.O. Box 7578		P.O. Box 594
Missoula, MT 59807		Morris, MN 56267
Attn: Dirk Cooper	Attn:	Attn: Sheldon Giese
Phone Number: 406-532-0384	Phone Number:	Phone Number: 320-589-2039
Fax Number: 406-532-0393	Fax Number:	Fax Number: 320-589-2814
Email Address: dcooper@hi-noon.com	Email Address:	Email Address: giesesh@wcec.com
Do you want to receive Email about this claim? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Do you want to receive Email about this claim? Yes <input type="checkbox"/> No <input type="checkbox"/>	Do you want to receive Email about this claim? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

5. Claimant - Name and Address	6. Consultant - Name and Address	7. Any other person - Name and Address
West Central Environmental Consultants, Inc. (WCEC)	West Central Environmental Consultants, Inc. (WCEC)	
P.O. Box 594	1030 South Avenue West	
Morris, MN 56267	Missoula, MT 59801	
Attn: Kathy Wevley	Attn: James E. Rolle	Attn:
Phone Number: 320-589-2039	Phone Number: 406-549-8487	Phone Number:
Fax Number: 320-589-2814	Fax Number: 406-549-8490	Fax Number:
Email Address: kwevley@wcec.com	Email Address: jrolle@wcec.com	Email Address:
Do you want to receive Email about this claim? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Do you want to receive Email about this claim? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Do you want to receive Email about this claim? Yes <input type="checkbox"/> No <input type="checkbox"/>

8. Total amount of this claim (including all page 2's):	\$32,632.18
--	-------------

E-MAILED
11-20-18

9. Detail of Costs: This section must be completed for each corrective action plan (CAP).

Please review Form 3 Instructions for detailed information.

The work claimed must be in accordance with an approved DEQ CAP. The costs of each different corrective action plan must be on a separate page 2. Multiple tasks may be submitted on a single claim. Submit itemized invoices and other support documentation with this claim. (Additional copies of this page may be included in each claim.)

Corrective Action Plan (CAP): CAP ID # 10443 CAP Date: 12/15/2016

CAP Modification (Form 8) Date (s) _____

View the Task Names on our web site. Enter the PTRCB task number, task name, budget, amount claimed and corresponding invoice number(s) for each task in the table below. The PTRCB task number is assigned by the Board staff in the CAP Review Letter.

COMPLETED TASKS SUBMITTED FOR REIMBURSEMENT

Task Number	Task Name	Budget	Amount Claimed	Invoice Numbers
1	Work Plan (CAP_AC-07)	\$1,380.00		
2	Project Management	\$5,760.00	\$1,722.50	85729
3	Mobilization (MPE Pilot Study)	\$1,600.55	\$1,600.80	85729
4	Mobilization	\$1,046.70		
5	Mobilization (MPE Trailer)	\$2,847.00	\$2,847.00	85729
6	Fieldwork (Well Install Oversight)	\$5,820.00		
7	Miscellaneous (Pump Test)	\$2,328.00		
8	Miscellaneous (MPE Pilot Study)	\$17,940.00	\$15,465.00	85729
9	Miscellaneous (Piezometer Install)	\$3,115.00		
10	Miscellaneous (Equipment)	\$9,830.05	\$7,272.71	85729
11	Survey	\$1,144.75		
12	Miscellaneous (Traffic Control)	\$1,500.00	\$1,500.00	85729
13	Monitoring Well Installation (Subcontractor - 2" Wells)	\$11,078.35		
14	Monitoring Well Installation (Subcontractor - 4" Wells)	\$2,769.59		
15	Miscellaneous (Spent Carbon Disposal)	\$157.00		
16	Miscellaneous (LNAPL Disposal)	\$60.00		
17	Miscellaneous (Water Disposal)	\$1,044.30		
18	Laboratory Analysis w/fee	\$6,110.00		
19	Lodging & Per Diem	\$2,924.00	\$2,224.17	85729
20	Project Management (Groundwater Monitoring)	\$720.00		
SubTotal		\$79,175.29	\$32,632.18	

RECEIVED

NOV 14 2016

Petroleum Tank Release
Compensation Board

12. Owner Certification: I certify under penalty of perjury that this submitted claim is for work that was actually completed; that the work performed was necessary to clean up the petroleum release at the facility identified in **Section 1**; that the cost of work for which reimbursement is sought is reasonable; and that to the best of my knowledge, all information herein provided is true and correct. **NOTE: If someone is submitting the claim on behalf of the owner/operator, skip Section 12 and complete Section 13. See the Form 3 instructions.**

Owner/Operator Signature _____

Date _____

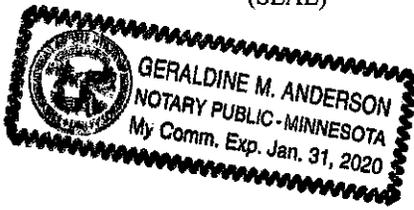
Typed Name of Owner/Operator _____

State of _____	RECEIVED NOV 14 2018
County of _____	
Signed and Sworn before me on this day _____	by _____
Date	Petroleum Tank Release Compensation Board
(SEAL)	Notary Public
	Printed or typed
	Notary Public for the State of _____
	Residing at _____
	My Commission Expires _____

13. Claimant Certification: I certify under penalty of perjury that I am authorized to submit claims on behalf of the owner or operator for this release and the information on this claim form is true to the best of my knowledge. This claim is submitted for work that was actually completed.

Claimant Signature *Kathy Wevley* Date 11-9-18
 Kathy Wevley
 Typed Name of Claimant

State of <u>Minnesota</u>	
County of <u>Stevens</u>	
Signed and Sworn before me on this day <u>11-9-18</u>	by <u>Kathy Wevley</u>
Date	<i>Geraldine M. Anderson</i>
(SEAL)	Notary Public
	Geraldine M. Anderson
	Printed or typed
	Notary Public for the State of <u>Minnesota</u>
	Residing at <u>Morris, Minnesota</u>
	My Commission Expires <u>January 31, 2020</u>



Submit this completed claim and supporting documents to the following address:
PETROLEUM TANK RELEASE COMPENSATION BOARD
PO BOX 200902, HELENA MT 59620-0902



Petroleum Tank Release Compensation Board

Work Plan Task Costs

Facility ID: 2504619

FacilityName: Gasamat 563

City: Helena

Release ID: 3330

WP ID: 10443

WP Name: R-B-MPE/WI/HC/G

WP Complete:

WP Date: 12/15/2016

Task #	Task Name	Phase	Estimated Cost	Actual Cost	Balance	Comment
1	Work Plan	R	\$1,380.00	\$1,380.00	\$0.00	
2	Project Management	R	\$5,760.00	\$4,550.00	\$1,210.00	
3	Mobilization	R	\$1,600.55	\$1,600.80	(\$0.25)	
4	Mobilization	R	\$1,046.70	\$1,046.50	\$0.20	
5	Mobilization	R	\$2,847.00	\$2,847.00	\$0.00	
6	Fieldwork	R	\$5,820.00	\$5,655.00	\$165.00	
7	Miscellaneous	R	\$2,328.00	\$2,070.00	\$258.00	
8	Miscellaneous	R	\$17,940.00	\$15,465.00	\$2,475.00	
9	Miscellaneous	R	\$3,115.00	\$2,775.80	\$339.20	
10	Equipment	R	\$9,830.05	\$7,272.71	\$2,557.34	
11	Survey	R	\$1,144.75	\$975.00	\$169.75	
12	Miscellaneous	R	\$1,500.00	\$1,500.00	\$0.00	
13	Well Installation	R	\$11,078.35	\$10,548.98	\$529.37	
14	Well Installation	R	\$2,769.59	\$2,637.25	\$132.34	
15	Miscellaneous	R	\$157.00			
16	Miscellaneous	R	\$60.00			
17	Miscellaneous	R	\$1,044.30			
18	Laboratory Analysis w/fee	R	\$6,110.00	\$1,438.00	\$4,672.00	
19	Lodging/Per Diem	R	\$2,924.00	\$2,857.25	\$66.75	
20	Project Management	R	\$720.00	\$715.00	\$5.00	
21	Mobilization	R	\$1,003.20	\$501.60	\$501.60	
22	Water Level Measurements	R	\$480.00	\$246.00	\$234.00	

<i>Task #</i>	<i>Task Name</i>	<i>Phase</i>	<i>Estimated Cost</i>	<i>Actual Cost</i>	<i>Balance</i>	<i>Comment</i>
23	Monitoring	R	\$3,850.00	\$2,002.00	\$1,848.00	
24	Report	R	\$7,200.00			
Total:			\$91,708.49	\$68,083.89	\$23,624.60	

Survey Monkey® Results
This page left intentionally blank

STATE OF MONTANA
DEPARTMENT OF JUSTICE
AGENCY LEGAL SERVICES BUREAU

Tim Fox
Attorney General



1712 Ninth Avenue
P.O. Box 201440
Helena, MT 59620-1440

November 15, 2018

Montana Petroleum Tank Release Compensation Board
Attn: All Board Members
P.O. Box 200902
Helena, MT 59620-0902

Re: Recusal from discussion and voting during Board meetings

Dear Board Members:

The purpose of this letter is to address recent recusal issues that have come to Board Staff's attention. These issues involve possibly-inappropriate votes and motions made by Board members Mark Johnson and Ed Thamke. All members are being informed of these issues because they include examples of actions that could potentially cause serious future legal problems that all voting members should seek to avoid. Board Staff and the Board's attorney possess very limited resources to help detect most possible conflicts, so they rely heavily on Board members to review meeting packets thoroughly and self-report any possible conflicts.

As most of you are aware, the topics of recusal and conflict of interest are discussed frequently at Board meetings. During the Board's January 29, 2018 meeting, for example, former Board member, Mr. Corson, stated he was a First Interstate Bank stockholder and inquired whether he should recuse himself from any votes pertaining to First Interstate. Mr. Corson was advised to recuse himself from any First Interstate-related voting that day, which he did, and was told he would receive more guidance on the issue in the future. At the following meeting, I advised Mr. Corson that because he specifically sought to become a First Interstate stockholder, and because he could personally benefit from reimbursements made to First Interstate, he should recuse himself from any First Interstate-related voting moving forward, which he did for the remainder of his tenure with the Board.

Although Mr. Corson's involvement with First Interstate is arguably minimal, my advice to recuse himself reflects the Board's goal in eliminating all possible conflicts of interests or appearances of impropriety. With that goal in mind, I will now discuss the issues that have recently presented themselves to Board Staff. For the sake of transparency, I will also read this letter aloud during the November 19th Board meeting. If any Board

members would like to respond to this letter, they will have an opportunity to do so after this letter is read aloud, but I would ask that such responses be brief.

Ed Thamke

As many of you may recall, the Board discussed recusal issues related to Mr. Thamke's employment with DEQ in late 2017 and early 2018. It began during the November 12, 2017 meeting where I requested that Mr. Thamke recuse himself from discussions or votes pertaining to any action items involving DEQ, including: eligibility ratifications, ratifications of weekly reimbursements and denied claims, and Board claims. This request was based on a potential appearance of impropriety, as DEQ is the regulatory agency that oversees nearly every release connected to the eligibility ratifications and claims for reimbursement that come before the Board.

In response, Mr. Thamke agreed to recuse himself from discussions and votes during that meeting, but respectfully stated that he disagreed with my request and my legal interpretation. He did, however, state that he would recuse himself if his employment with DEQ created a conflict.

This issue was next discussed at the January 29, 2018 Board meeting where I again advised Mr. Thamke to recuse himself from all discussions and votes pertaining to all action items on that meeting's agenda. Again, the stated reasons for the advisement were that Mr. Thamke's participation could create both a conflict of interest and an appearance of impropriety stemming from his ongoing employment at DEQ. I also stated that Mr. Thamke's participation could negatively affect the Board's ability to exercise its quasi-judicial functions independently of DEQ and without DEQ's approval or control—an ability that is statutorily granted to the Board via Mont. Code Ann. § 2-15-121(1)(a)(i). After the Board received comments from DEQ's Director and Chief Legal Counsel, Mr. Thamke chose not to recuse himself from discussions or votes that day. This issue has not been discussed in Board meetings since—although my legal position on this issue has not changed—and Mr. Thamke has continued to fully participate in all Board discussions and votes.

The purpose of this letter, however, does not specifically involve the contention that Mr. Thamke should recuse himself from most discussions and votes simply because of his employment with DEQ. Instead, this letter is meant to discuss his obligation to recuse himself from issues where DEQ receives payments directly from the Fund.

During the Board's September 10, 2018 meeting, the Board discussed claims over \$25,000.00. One facility discussed was the Short Stop in Miles City. The estimated reimbursement for the Short Stop facility was \$7,342.16. The payee—as listed in the facility's Form 3—was MT DEQ LUST Trust Program, Attn: Amy Steinmetz.

When Mr. Thamke asked the Executive Director at the meeting which Short Stop was being discussed at the time, the Executive Director informed him that it was the Short Stop in Miles City. Mr. Thamke then moved to accept Board Staff's recommendations to approve the claims as presented, without recusal, and provided an "Aye" vote to approve the reimbursements.

It is true that Mr. Thamke does not directly oversee DEQ's LUST Trust Program. However, he is nonetheless an employee of the entity that ultimately received a reimbursement from the Fund. And although Mr. Thamke has chosen not to recuse himself from possible conflicts merely stemming from the fact that he is employed with DEQ, he previously agreed to recuse himself when his employment created a direct conflict. The Fund's direct payment to DEQ presents a clear conflict for which Mr. Thamke's recusal from discussion and voting was necessary.

In sum, I would advise Mr. Thamke to recuse himself from all future discussions or votes when the Montana Department of Environmental Quality could receive a direct payment from the Fund as a result of his voting.

Copies of all supporting documentation are attached to this letter, although they can also be found in the minutes and materials from the September 10, 2018 meeting that have been previously provided to all Board members.

Mark Johnson

Mr. Johnson routinely recuses himself from all claims associated with his personal business, Resource Technologies, Inc. It has recently come to Board Staff's attention, however, that Mr. Johnson is a partial owner in a separate business—Yellowstone Soil Treatment LLC—which he has not mentioned in prior meetings during his routine recusals. This is concerning because Mr. Johnson has expressly voted to approve Fund reimbursements to Yellowstone Soil Treatment without recusal on two separate occasions this year.

During the Board's January 29, 2018 meeting, the Board was presented with Weekly Claim Reimbursements. Included in the fourteen reimbursements made on December 6,

2017 was a \$9,060.00 payment for soil removal at the former Kwik Way 19 in Billings. Both the claimant and the payee—as listed in the facility’s Form 3—was Yellowstone Soil Treatment, Attn: Mark Johnson. The form also contained Mr. Johnson’s email address at Resource Technologies, Inc. Mr. Johnson signed the form as the claimant, certifying that he was authorized to submit claims on behalf of the owner or operator. Christine Rosanova notarized Mr. Johnson’s signature.

When Mr. Schnider moved to ratify all weekly claim reimbursements during that meeting, Mr. Johnson seconded the motion, recused himself from any claims associated with Resource Technologies, and voted “Aye.” He did not recuse himself from any claims associated with Yellowstone Soil Treatment.

Next, during the Board’s April 9, 2018 meeting, the Board was presented with Weekly Claim Reimbursements. Included in the nine reimbursements made on January 17, 2018, was a \$15,204.00 payment for soil removal at the William Daum Ranch in Pryor. The payee—as listed in the facility’s Form 3—was Yellowstone Soil Treatment, Attn: Christie Rosanova. The form also included Ms. Rosanova’s email address at Resource Technologies, Inc. Mr. Johnson signed the form as the claimant, certifying that he was authorized to submit claims on behalf of the owner or operator. Ms. Rosanova notarized Mr. Johnson’s signature.

Mr. Thompson moved to accept the weekly claim reimbursements at that meeting and Ms. Smith seconded. Mr. Johnson recused himself from any claims associated with Resource Technologies and voted “Aye.” He did not recuse himself from any claims associated with Yellowstone Soil Treatment.

It is my advice that, in the future, Mr. Johnson recuse himself from votes or discussion relating to any claims associated with any business he owns or has an interest in, including but not limited to Resource Technologies, Inc. and Yellowstone Soil Treatment, LLC. It certainly appears that Mr. Johnson’s interest in Yellowstone Soil Treatment presents a much clearer conflict than Mr. Corson’s mere owning of stock in First Interstate Bank.

At the November 19, 2018 meeting, the Board will be voting on a denied claim from the Billings Kwik Way 19 facility. Because payments regarding this facility are to be made directly to Yellowstone Soil Treatment, Attn: Mark Johnson, I would advise Mr. Johnson to recuse himself from any discussion or votes regarding that facility during the meeting.

Copies of all supporting documentation are attached to this letter.

Conclusion

It does not appear that any of the Board actions discussed in this matter were materially affected by the possible conflicts discussed herein. All votes were unanimously passed by the Board. Additionally, although some of the actions discussed were moved or seconded by a possibly-conflicted member, a separate non-conflicted member provided a motion or second. As such, re-voting on these issues would not be inappropriate but also not necessary.

However, moving forward, it is imperative that all Board members thoroughly review meeting packets after they are sent out in the weeks prior to Board meetings. In doing so, members should actively seek any potential conflicts they—or other Board members—may have and address such conflicts with the Board’s attorney prior to the meeting. In attempting to eliminate all possible conflicts of interests or appearances of impropriety, my advice to all members continues to be that each member recuse themselves from voting or acting on any matter they have any affiliation with. To help avoid these issues in the future, I will be working with Board Staff in the coming weeks to update the onboarding packet that all new Board members receive.

Thank you for your attention to this matter.

Very truly yours,

AGENCY LEGAL SERVICES BUREAU

/s/ Kyle P. Chenoweth

KYLE P. CHENOWETH
Assistant Attorney General
1712 Ninth Ave.
P.O. Box 201440
Helena, MT 59620-1440



Resource Technologies, Inc.

1050 East Main Street Suite 4, Bozeman, MT 59715
Internet: mail@rtimt.com • Voice: (406) 585-8005 • Telefax: (406) 585-0069

November 16, 2018

Montana Petroleum Tank Release Compensation Board
Attn: All Board Members
PO Box 200902
Helena, Montana 59620-0902

Re: Recusal from discussion and voting during Board meeting

I have received Mr. Chenoweth's letter of November 15, 2018 and provide the following response. I think Mr. Chenoweth's concerns for avoiding conflicts of interest and avoiding the appearance of impropriety are valid and I agree with his recommendations; however, I take issue with the language and tone of the letter. Specifically, the following:

“Mr. Johnson routinely recuses himself from all claims associated with his personal business, Resource Technologies, Inc. It has recently come to Board Staff's attention, however, that Mr. Johnson is a partial owner in a separate business—Yellowstone Soil Treatment LLC—which he has not mentioned in prior meetings during his routine recusals. This is concerning because Mr. Johnson has **expressly voted to approve** Fund reimbursements to Yellowstone Soil Treatment without recusal on two separate occasions this year.”

This is an imprecise, if not misleading, statement. Board members vote to ratify weekly claims that have already been independently reviewed and approved by Board staff. It should also be made clear that, for these claims, reimbursement checks have already been issued to the payee prior to the vote to ratify during the Board meeting. Furthermore, the weekly claims are ratified at each meeting by a single vote as a batch that can include over 100 claims for which payment has already been made. Although the claims are identified by Facility, Board members have no expressed information regarding the details of these claims or the payees – we only understand that the claims have been reviewed and approved by Board staff and reimbursed to the payee. The ratification vote does not alter past actions.

Mr. Chenoweth's letter mentions two claims that were ratified during two separate Board meetings – Claim 20171127D and Claim 20180109C. I'll briefly summarize the background of each claim.

Claim 20171127D: From the claim number and background provided with your letter, this claim for \$9,060.00 was received on November 11, 2017, reviewed for reimbursement by Ann Root on December 13, 2017, and approved for reimbursement by Terry Wadsworth on December 18, 2017. The review and approval signatures can be found on the “Weekly Reimbursement Summary for 12/6/2017” that included 14 claims and was subsequently included in the Board packet for the January 29, 2018 Board meeting with other weekly claims. The summary provided in Board packet did not specify the payee for each claim. The reimbursement check #0025344421 was issued on December 21, 2017. During the January 29, 2018 Board meeting, the weekly ratifications for 151 claims were voted on as a batch - over one month after the reimbursement check had been issued.

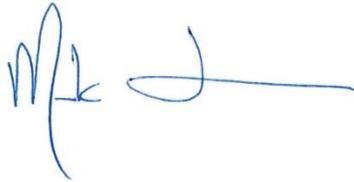
Claim 20180109C: From the claim number and background provided with your letter, this claim for \$15,204.00 was received on January 1, 2018, reviewed for reimbursement by Ann Root on January 22, 2018, and approved for reimbursement by Terry Wadsworth on February 1, 2018. The review and approval signatures can be found on the “Weekly Reimbursement Summary for 1/17/2018” that included 9 claims and was subsequently included in the Board packet for the April 9, 2018 Board meeting. The summary provided in Board packet did not specify the payee for each claim. The reimbursement check #0025388128 was issued on February 12, 2018. During the April 9, 2018 Board meeting, the weekly ratifications for 132 claims were voted on as a batch - over two months after the reimbursement check had been issued.

I would like to underscore the following points:

1. In each case the Board voted to ratify claims that already had been independently reviewed, approved and paid well before the Board meeting. The vote to ratify these reimbursements has little, if any, bearing on the approvals and payments that have already been issued per Board staff review. I can understand that there could be an appearance of impropriety but I’m not sure if there is an actual conflict in voting to ratify the actions taken independently by Board staff.
2. In each case the claim was one of over 100 claims with limited information provided in the packet. I did not recognize that the payee for these claims was Yellowstone Soil Treatment, LLC (YST) and although I recused myself from claims involving Resource Technologies, Inc., my failure to recuse myself from ratifying claims for YST was an oversight on my part and was unintentional.
3. The information provided in the Board packet for each meeting does not include the “Reimbursement by Payee” list that was included in the background information on pages 13, 14, 23, and 24 of the PDF attachment that accompanied your letter. It is difficult to cull through over 100 claims to ferret out a potential conflict without this information in the packet.

In conclusion, I agree with Mr. Chenoweth's advice for Board members to recuse ourselves from votes or discussions relating to any claims associated with any business we own or in which we have an equity. I have endeavored to conduct myself in that manner and I take issue with the language and accusatory tone of Mr. Chenoweth's letter. In order to help facilitate our review of claims and identify "possible conflicts of interest or appearances of impropriety", I feel it would be helpful to include the corresponding "Reimbursement by Payee" forms in the Board packet.

Respectfully Submitted,
Resource Technologies, Inc.

A handwritten signature in blue ink, appearing to read 'M. Johnson', with a long horizontal flourish extending to the right.

Mark Johnson, PE& PG
Geological Engineer



A REPORT
TO THE
MONTANA
LEGISLATURE

LEGISLATIVE AUDIT
DIVISION

18-16

FINANCIAL-COMPLIANCE AUDIT

*Department of
Environmental Quality*

*For the Two Fiscal Years Ended
June 30, 2018*

NOVEMBER 2018

FINANCIAL-COMPLIANCE AUDITS

LEGISLATIVE AUDIT COMMITTEE

REPRESENTATIVES

KIM ABBOTT

Rep.Kim.Abbott@mt.gov

DAN BARTEL

Danbartel2@gmail.com

RANDY BRODEHL

Randybrodehl57@gmail.com

TOM BURNETT, VICE CHAIR

Burnett.tom@gmail.com

VIRGINIA COURT

viriniacourt@yahoo.com

DENISE HAYMAN

Rep.Denise.Hayman@mt.gov

SENATORS

DEE BROWN

senatordee@yahoo.com

TERRY GAUTHIER

Mrmac570@me.com

BOB KEENAN

Sen.Bob.Keenan@mt.gov

MARGARET MACDONALD

Sen.Margie.MacDonald@mt.gov

MARY McNALLY, CHAIR

McNally4MTLeg@gmail.com

GENE VUCKOVICH

Sen.Gene.Vuckovich@mt.gov

MEMBERS SERVE UNTIL A
MEMBER'S LEGISLATIVE TERM
OF OFFICE ENDS OR UNTIL A
SUCCESSOR IS APPOINTED,
WHICHEVER OCCURS FIRST.

§5-13-202(2), MCA

FRAUD HOTLINE
(STATEWIDE)
1-800-222-4446
(IN HELENA)
444-4446
ladhotline@mt.gov

Financial-compliance audits are conducted by the Legislative Audit Division to determine if an agency's financial operations are properly conducted, the financial reports are presented fairly, and the agency has complied with applicable laws and regulations. In performing the audit work, the audit staff uses standards set forth by the American Institute of Certified Public Accountants and the United States Government Accountability Office. Financial-compliance audit staff members hold degrees with an emphasis in accounting. Most staff members hold Certified Public Accountant (CPA) certificates.

The Single Audit Act Amendments of 1996 and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards require the auditor to issue certain financial, internal control, and compliance reports in addition to those reports required by *Government Auditing Standards*. This individual agency audit report is not intended to comply with these reporting requirements and is therefore not intended for distribution to federal grantor agencies. The Legislative Audit Division issues a statewide biennial Single Audit Report which complies with the above reporting requirements. The Single Audit Report for the two fiscal years ended June 30, 2017, was issued March 23, 2018. The Single Audit Report for the two fiscal years ended June 30, 2019, will be issued by March 31, 2020.

AUDIT STAFF

NATALIE H. GIBSON
JOSHUA PHILLIPS
SHENAE STENSAAS
KELLY ZWANG

DELSI OSMANSON
KAREN E. SIMPSON
MARY V. YUREWITCH

Reports can be found in electronic format at:
<http://leg.mt.gov/audit>

APPOINTED AND ADMINISTRATIVE OFFICIALS

Department of Environmental Quality	Tom Livers, Director (through September 2018)		
	George Mathieus, Acting Interim Director (effective September 2018)		
	Peggy MacEwen, Centralized Services Division Administrator		
	Christopher Dorrington, Air, Energy & Mining Division Administrator		
	Jenny Chambers, Waste Management & Remediation Division Administrator		
	Tim Davis, Water Quality Division Administrator		
			<u>Term Expires</u>
Board of Environmental Review	Christine (Chris) Deveny, Chair	Helena	January 1, 2021
	John Felton	Billings	January 1, 2019
	Dexter Busby	Great Falls	January 1, 2021
	Hillary Hanson	Kalispell	January 1, 2019
	Tim Warner	Bozeman	January 1, 2019
	John DeArment	Missoula	January 1, 2021
	Chris Tweeten	Missoula	January 1, 2021
Petroleum Tank Release Compensation Board	Jerry Breen, Presiding Officer	Choteau	July 1, 2019
	Keith Schnider, Vice-Presiding Officer	Great Falls	July 1, 2019
	Jim Corson	Billings	July 1, 2018
	Heather Smith	Bozeman	July 1, 2020
	Ed Thamke	Helena	July 1, 2020
	Mark Johnson	Bozeman	July 1, 2019
	Jason Rorabaugh	Belgrade	July 1, 2021

solid waste, and remediation of contaminated sites. The division consists of the Federal Superfund and Construction Bureau, the Abandoned Mine Lands section, Contaminated Site Clean-up Bureau, and Waste and Underground Tank Management Bureau.

Libby Asbestos Superfund Advisory Team (Program 80) (.67 FTE) was established in Chapter 317, Laws of 2017 Legislative Regular Session. The team is attached to the department for administrative purposes only. The duties of the team are to advise the department regarding the administration of the Libby asbestos cleanup trust fund, the administration of the cleanup operation and maintenance account, and to recommend task and work priorities for the Libby asbestos superfund liaison.

Petroleum Tank Release Compensation Board (Program 90) (5.75 FTE) oversees the Petroleum Tank Release Cleanup Fund, established by §75-11-313, MCA, which reimburses eligible owners and operators for costs of petroleum release cleanup. Fund administration is a joint responsibility of the board and the department.

General Fund non-budgeted revenue activity is primarily revenue collected for fines and penalties received for Enforcement activities that are unknown from year-to-year.

Federal Special Revenue Fund increased \$2.3 million from fiscal year 2017 to 2018. This is attributable to:

- ♦ Drinking Water SRF loan draws increasing by \$1.8 million.
- ♦ Water Pollution Control draws increasing approximately \$300 thousand.
- ♦ Belt Water Treatment account received \$209 thousand transfer of funds from OSM Trust Fund.

State Special Revenue Fund decreased by approximately \$3.2 million from fiscal year 2017 to 2018. The change is primarily attributed to:

- ♦ Availability of other funding streams, making a marked reduction in use of Reclamation and Development Grant funding and cost recovery efforts.
- ♦ A decline in collection of financial assurance funding which subsequently impacted investment earnings.

Capital Projects Fund decreased approximately \$2.8 million. The change is attributed to:

- ♦ The standard 2nd year biennial sweep from the Energy Conservation Repayment Account to the Energy Conservation Capital Projects Account in accordance with §§90-4-615 and 617, MCA.

Private Purpose Trust Fund increased approximately \$500,000. The change is primarily attributed to:

- ♦ Increased property held in trust for financial assurance and the associated increased investment earnings.

5. Nonbudgeted Expenses & Transfers-Out

Waste Management and Remediation division decreased \$12.2 million from fiscal year 2017 to 2018. The change is primarily attributed to:

- ♦ Nonbudgeted settlement reclamation expenditures decreased \$10.2 million including Clark Fork River & Upper Blackfoot Mining Complex and Iron Mountain Custodial.
- ♦ \$2 million transfer from Junk Vehicle in 2017 for HB648 to assist Natural Resource Operations fund 02576.

Water Quality division increased approximately \$2 million. The change is primarily attributed to:

- ♦ An increase in the Federal Drinking and Clean Water State Revolving Fund programs. The transfers were made to the Department of Natural Resources

and Conservation for disbursement to local governments for construction of water and wastewater system improvements. These grants from EPA are multi-year grants and therefore an analysis of the amount expended within any twelve-month period is not indicative of any problems or issues with these programs.

Changes attributed to compliance with HB6 of the 2017 Special Session:

- Air, Energy, and Mining Division
State Special funds and Capital projects increased \$2.1 million.
- Petroleum Tank Release Compensation Board
State Special funds increased \$1 million.

In addition to the HB6 transfers, the 2017 transfer-outs include a \$2.7 million transfer for the biennium from the Energy Conservation Repayment Account to the Energy Conservation Capital Projects Account in accordance with §§90-4-615 and 617, MCA.

6. Unspent Budget Authority

The unspent budget authority is primarily in the following areas:

- State Special Revenue Fund is attributed to the decrease in revenue. Spending is limited to cash balance or authority, whichever is less. If revenue collected decreases spending is also reduced, leaving unspent authority.
- Federal Special Revenue Fund reflects the unspent multi-year grant authority.
- Capital Projects Fund for fiscal years 2017 and 2018 is authority earmarked for State Building Loan Program projects.

7. Related Parties

The Montana Petroleum Tank Release Compensation Board is an independent board that is attached to DEQ for administrative purposes, ARM 17.58.101. Board members are required to follow Montana's code of ethics, that includes recusing oneself in matters related to a conflict of interest. In compliance with GASB 62, paragraphs 54-57, the following is to disclose the related relationships identified with Board members:

- Member, Chuck Thompson – works for CHS, a company that had a release and is receiving funding.
- Member, Keith Schnider, is the insurance agent for the station owner that had a release and is receiving funding. Associated company is Payne West Insurance.
- Member, Jim Corson, owns stock in 1st Interstate Bank that is receiving funding.
- Member, Edward Thamke, is an employee of the regulatory agency that provides oversight of the cleanup at the facility.

A-16

Montana Legislative Audit Division

- Member, Mark Johnson, is a contractor for the regulatory agency that provides oversight of the cleanup at the facility. He also owns stock in the company that is receiving funding. Associated companies are to JW Roylance Construction and Resource Technologies, Inc.
 - ◊ Mr. Johnson is under contract with DEQ to complete remediation work and the following contract payments were made to Resource Technologies, Inc: \$193,204 in FY2017, and \$61,034.53 in FY2018. In addition, only \$8,986 was matched with Petroleum Tank Release Compensation fund 02058.

Financial transactions include:

Our records show Direct payments of:

Payee:	FY 17 & FY18
Resource Technologies Inc	\$ 1,207,513.45
Payne West Insurance	\$ 0.00
First Interstate Bank	\$ 0.00

Our records show indirect payments (where Petro Fund paid their contractor) of:

Facility Owner	Consultant	FY17 & FY18
Payne West Insurance		\$ 0.00
First Interstate Bank	Several	\$ 120,242.96

Our records show indirect payments (where Petro Fund paid their client) of:

Facility	Insurance Co	FY17 & FY18
B & C OIL	Payne West	\$ 15,887.61
National Laundry Co	Payne Financial Group	\$0.00

To ensure we are following state law, all contracts are required to go through a competitive bidding process.

8. Agency Reorganization

During fiscal year 2018 DEQ went through a minor reorganization by transferring the Enforcement Division (program 30) into a program within Centralized Services (program 10). There were 2 FTE from the Enforcement Division (Enforcement Administrator and Financial Manager) permanently transitioned to program positions in Program 40. The funding for the Enforcement Division was transferred to Program 10.

BOARD ATTORNEY REPORT

PTRCB Case Status Report as of January 23, 2018.

Location	Facility	Facility # & Release #	Disputed/ Appointment Date	Status
Great Falls	Cascade County Shops	07-05708 Release 3051-C1,3051-C2,3051-C3 AND 3051-C4	Denial of applications	The District Court has allowed additional briefing, which has been completed. We are awaiting a decision from the Court.

Petroleum Tank Release Compensation Fund Budget Status Report Operating Statement December 31, 2018						
	Legislative Approp.	Standard Budget	Rev/Exp through 12/31/2018	Projected Rev/Exp	Total FY19 Projected Rev/Exp	Projected Fiscal Year End Balance
Revenues:						
MDT Fee Revenue Estimate	7,218,000	7,218,000	4,132,060	3,570,935	7,702,995	484,995
Estimated STIP interest earnings	1,500	51,500	28,331	33,591	61,922	10,422
Misc Revenue- Settlements	100,000	0	0	0	0	0
Total Revenues:	7,319,500	7,269,500	4,160,392	3,604,526	7,764,917	495,417
Expenditures: (Includes current year expenses only)						
Board						
Personal Services	354,974	354,974	188,108	195,000	383,108	(28,134)
Contracted Services	50,000	50,000	15,895	12,000	27,895	22,105
Contingent Contract Services	1,000,000	1,000,000	0	0	0	1,000,000
Operating	200,258	200,258	51,359	78,000	129,359	70,899
Subtotal	1,605,232	1,605,232	255,363	285,000	540,363	1,064,869
DEQ Regulatory						
Personal Services	1,006,667	1,006,667	522,467	533,000	1,055,467	(48,800)
Contracted Services	50,000	50,000	5,131	30,000	35,131	14,869
Operating & Transfers	483,228	483,228	167,111	260,000	427,111	56,117
Subtotal	1,539,895	1,539,895	694,708	823,000	1,517,708	22,187
Administrative Budget Remaining						1,087,056
Claims/Loan						
Regular Claim Payments	4,990,000	4,590,000	1,757,533	2,070,078	3,827,611	762,389
Accrual - FY19 for use in FY20		400,000	0	400,000	400,000	0
Loan Repayment (All loans paid in full)		0	0	0	0	0
Subtotal	4,990,000	4,990,000	1,757,533	2,470,078	4,227,611	762,389
Total Expenses:	8,135,127	8,135,127	2,707,604	3,578,078	6,285,682	1,849,445
Increase/(Decrease) of Revenues over Exp as of December 31, 2018			\$1,452,787	\$26,448	\$1,479,235	

Accrual Information

Claims	
Accrued in FY2018 for use in FY2019	351,000
Total Payments	312,545
Accrual Balance - written off at FYE	38,455

Guarantee of Reimbursement (A Accruals)

Accrued in FY2017 for reimbursement in FY2019	216,367
Accrued in FY2017 for reimbursement in FY2022	253,761
Accrued in FY2018 for reimbursement in FY2022	181,870
Total Payments	0
Accrual Balance	651,998

Average Monthly Claims

FY19 to 12/31/18 - Current Year Only	292,922
FY19 to 12/31/18 - Current Year + Accruals	345,013

Actual Claims Paid in FY 2019 (Current Year + FY 18 Accruals)	2,070,078
--	-----------

Fund Balance Cash Balance

Beginning Balance	2,836,781	2,410,421
Revenues	7,764,917	7,764,917
Legislative Special Session Transfer		
Expenditures (affecting balance)	6,556,256	6,194,711
Projected Balance at 6/30/19	4,045,443	3,980,628

Revenue

Revenue & Transportation Interim Committee	
Revenue Estimate set 11/18/16 for FY19	6,943,000
Biennial Report Revenue Estimate for FY19	7,410,000
MDT FY19 Revenue Estimate	7,157,000
MDT FY19 Revenues Collected	58% 4,132,060

Settlements

Settlements received during FY2019	0
Settlements received to date	2,511,687

At \$.0075 per gallon sold, the revenue collected this year is equivalent to 550.9 million gallons sold.

Cash Flow Analysis - FY19

	Actual					
	July-18	August-18	September-18	October-18	November-18	December-18
Beginning Cash Balance	2,410,421.11	2,784,778.75	2,687,527.81	3,054,939.06	3,496,387.17	3,641,947.05
Revenue						
MDT Revenue (\$.0075/gallon)	640,739.00	676,321.00	766,613.00	769,315.47	636,565.00	642,507.00
STIP Earnings	0.00	4,417.53	5,292.22	5,102.85	6,596.45	6,921.98
Settlements						
Other Misc Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	640,739.00	680,738.53	771,905.22	774,418.32	643,161.45	649,428.98
Expenditures						
Petro Board Claims	53,490.89	548,770.77	161,791.17	159,334.89	343,188.55	490,956.69
Petro Board Staff	24,260.49	41,490.93	42,307.77	43,050.14	40,285.52	63,968.04
Prior Year Adj & Accrual Payments	116,745.82	74,642.00	71,760.85	12,485.82	2,422.56	30,971.60
Legislative Special Session Transfer						
Remediation	71,884.16	113,085.77	128,634.18	118,099.36	111,704.94	151,299.83
Total Expenditures	266,381.36	777,989.47	404,493.97	332,970.21	497,601.57	737,196.16
Ending Cash Balance	2,784,778.75	2,687,527.81	3,054,939.06	3,496,387.17	3,641,947.05	3,554,179.87

Cash Flow Analysis - FY19

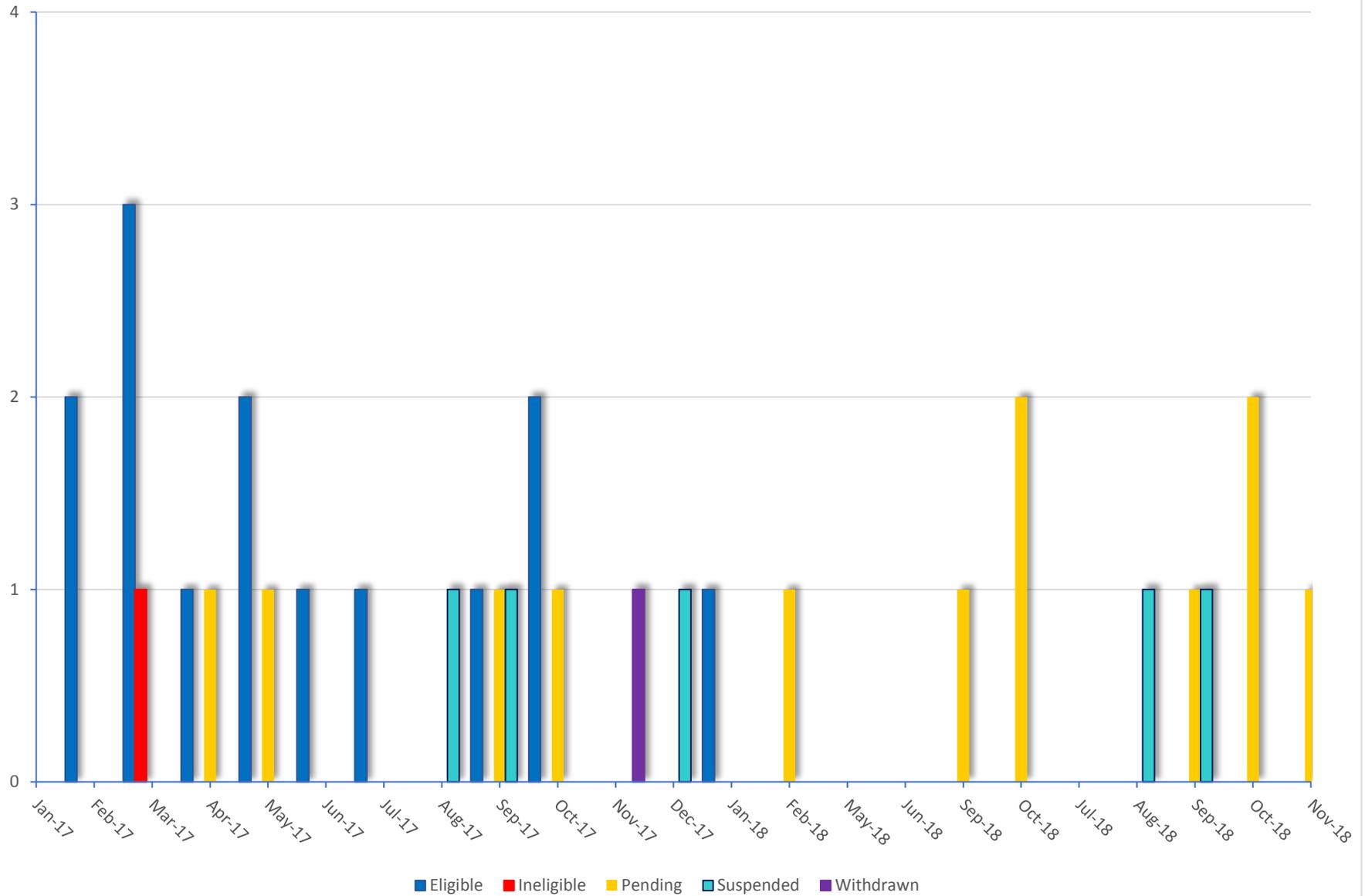
	January-19	February-19	March-19	April-19	May-19	June-19
Beginning Cash Balance	3,554,179.87	3,616,442.66	3,704,804.66	3,793,166.66	3,881,528.66	3,969,890.66
				Projected		
Revenue						
MDT Revenue (\$.0075/gallon)	570,935.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
STIP Earnings	7,340.79	4,375.00	4,375.00	4,375.00	4,375.00	8,750.00
Settlements						
Other Misc Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	578,275.79	604,375.00	604,375.00	604,375.00	604,375.00	608,750.00
Expenditures						
Petro Board Claims	345,013.00	345,013.00	345,013.00	345,013.00	345,013.00	345,013.00
Petro Board Staff	44,000.00	44,000.00	44,000.00	44,000.00	44,000.00	65,000.00
Prior Year Adj & Accrual Payments	0.00	0.00	0.00	0.00	0.00	0.00
Legislative Special Session Transfer						
Remediation	127,000.00	127,000.00	127,000.00	127,000.00	127,000.00	188,000.00
Total Expenditures	516,013.00	516,013.00	516,013.00	516,013.00	516,013.00	598,013.00
Ending Cash Balance	3,616,442.66	3,704,804.66	3,793,166.66	3,881,528.66	3,969,890.66	3,980,627.66

**Petroleum Tank Release Compensation Fund
Budget Status Report
Monthly Expenditure/Projection Summary
December 31, 2018**

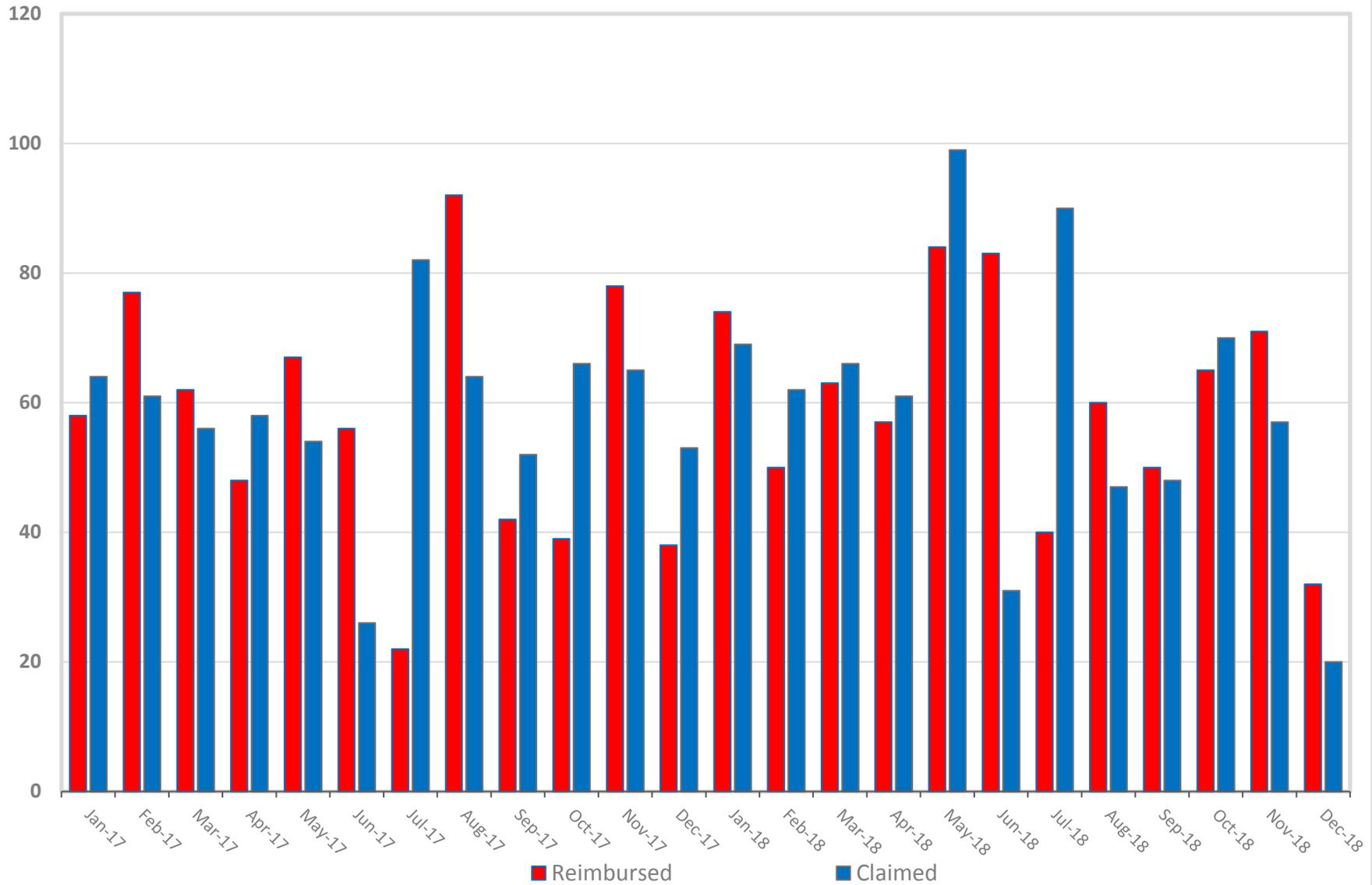
1/29/2019
REPORT ITEM
INFORMATIONAL

EXPENDITURE SUMMARY		PERIOD ENDING 07/31/18	PERIOD ENDING 08/31/18	PERIOD ENDING 09/30/18	PERIOD ENDING 10/31/18	PERIOD ENDING 11/30/18	PERIOD ENDING 12/31/18	PERIOD ENDING 01/31/19	PERIOD ENDING 02/28/19	PERIOD ENDING 03/31/19	PERIOD ENDING 04/30/19	PERIOD ENDING 05/31/19	PERIOD ENDING 06/30/19	FY19 TOTALS
REVENUE														
	MDT Fees	640,739.00	676,321.00	766,613.00	769,315.47	636,565.00	642,507.00							4,132,060.47
	Stip Earnings		4,417.53	5,292.22	5,102.85	6,596.45	6,921.98							28,331.03
	Misc Revenue													0.00
	Total Revenue	640,739.00	680,738.53	771,905.22	774,418.32	643,161.45	649,428.98	0.00	0.00	0.00	0.00	0.00	0.00	4,160,391.50
BOARD														
	Personal Services	24,260.49	27,077.29	30,454.25	30,209.64	30,732.80	45,374.00							188,108.47
	Contracted Services		1,674.00	385.10	4,578.55	1,025.16	8,232.18							15,894.99
	Contingent Contract Services													0.00
	Operating		12,739.64	11,468.42	8,261.95	8,527.56	10,361.86							51,359.43
	Subtotal	24,260.49	41,490.93	42,307.77	43,050.14	40,285.52	63,968.04	0.00	0.00	0.00	0.00	0.00	0.00	255,362.89
CLAIMS														
	Regular CY Claim Payments	53,490.89	548,770.77	161,791.17	159,334.89	343,188.55	490,956.69							1,757,532.96
	Subtotal	53,490.89	548,770.77	161,791.17	159,334.89	343,188.55	490,956.69	0.00	0.00	0.00	0.00	0.00	0.00	1,757,532.96
DEQ Regulatory														
	Personal Services	65,854.23	76,506.88	88,125.03	81,976.49	83,541.45	126,462.45							522,466.53
	Contracted Services		1,210.21	918.92	294.80	2,389.05	317.58							5,130.56
	Operating	6,029.93	35,368.68	39,590.23	35,828.07	25,774.44	24,519.80							167,111.15
	Subtotal	71,884.16	113,085.77	128,634.18	118,099.36	111,704.94	151,299.83	0.00	0.00	0.00	0.00	0.00	0.00	694,708.24
CURRENT YEAR EXPENDITURE TOTALS		149,635.54	703,347.47	332,733.12	320,484.39	495,179.01	706,224.56	0.00	0.00	0.00	0.00	0.00	0.00	2,707,604.09
PRIOR YEAR EXPENDITURES		73.98	815.52	0.00	-2.80									886.70
TOTAL EXPENDITURES		149,709.52	704,162.99	332,733.12	320,481.59	495,179.01	706,224.56	0.00	0.00	0.00	0.00	0.00	0.00	2,708,490.79
Board & DEQ Non-Claim costs		96,144.65	154,576.70	170,941.95	161,149.50	151,990.46	215,267.87	0.00	0.00	0.00	0.00	0.00	0.00	950,071.13
Claims Accrual Payments		121,846.16	72,879.28	79,206.03	5,219.40	2,422.56	30,971.60							312,545.03
Guarantee of Reimbursement (A Accruals)														0.00
PROJECTION SUMMARY		PERIOD ENDING 07/31/18	PERIOD ENDING 08/31/18	PERIOD ENDING 09/30/18	PERIOD ENDING 10/31/18	PERIOD ENDING 11/30/18	PERIOD ENDING 12/31/18	PERIOD ENDING 01/31/19	PERIOD ENDING 02/28/19	PERIOD ENDING 03/31/19	PERIOD ENDING 04/30/19	PERIOD ENDING 05/31/19	PERIOD ENDING 06/30/19	FY19 TOTALS
REVENUE														
	MDT Fees							570,935.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	3,570,935.00
	Stip Earnings							7,340.79	4,375.00	4,375.00	4,375.00	4,375.00	8,750.00	33,590.79
	TOTAL REVENUE PROJECTED	0.00	0.00	0.00	0.00	0.00	0.00	578,275.79	604,375.00	604,375.00	604,375.00	604,375.00	608,750.00	3,604,525.79
BOARD														
	Personal Services							30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	45,000.00	195,000.00
	Contracted Services							2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	12,000.00
	Contingent Contract Services													0.00
	Operating							12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	18,000.00	78,000.00
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	44,000.00	44,000.00	44,000.00	44,000.00	44,000.00	65,000.00	285,000.00
CLAIMS														
	Regular CY Claim Payments							345,013.00	345,013.00	345,013.00	345,013.00	345,013.00	345,013.00	2,070,078.00
	FYE19 Accrual				121,869.78								400,000.00	521,869.78
	Subtotal	0.00	0.00	0.00	121,869.78	0.00	0.00	345,013.00	345,013.00	345,013.00	345,013.00	345,013.00	745,013.00	2,591,947.78
DEQ Regulatory														
	Personal Services							82,000.00	82,000.00	82,000.00	82,000.00	82,000.00	123,000.00	533,000.00
	Contracted Services							5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	30,000.00
	Operating							40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	60,000.00	260,000.00
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	127,000.00	127,000.00	127,000.00	127,000.00	127,000.00	188,000.00	823,000.00
PROJECTION TOTALS		0.00	0.00	0.00	121,869.78	0.00	0.00	516,013.00	516,013.00	516,013.00	516,013.00	516,013.00	998,013.00	3,699,947.78

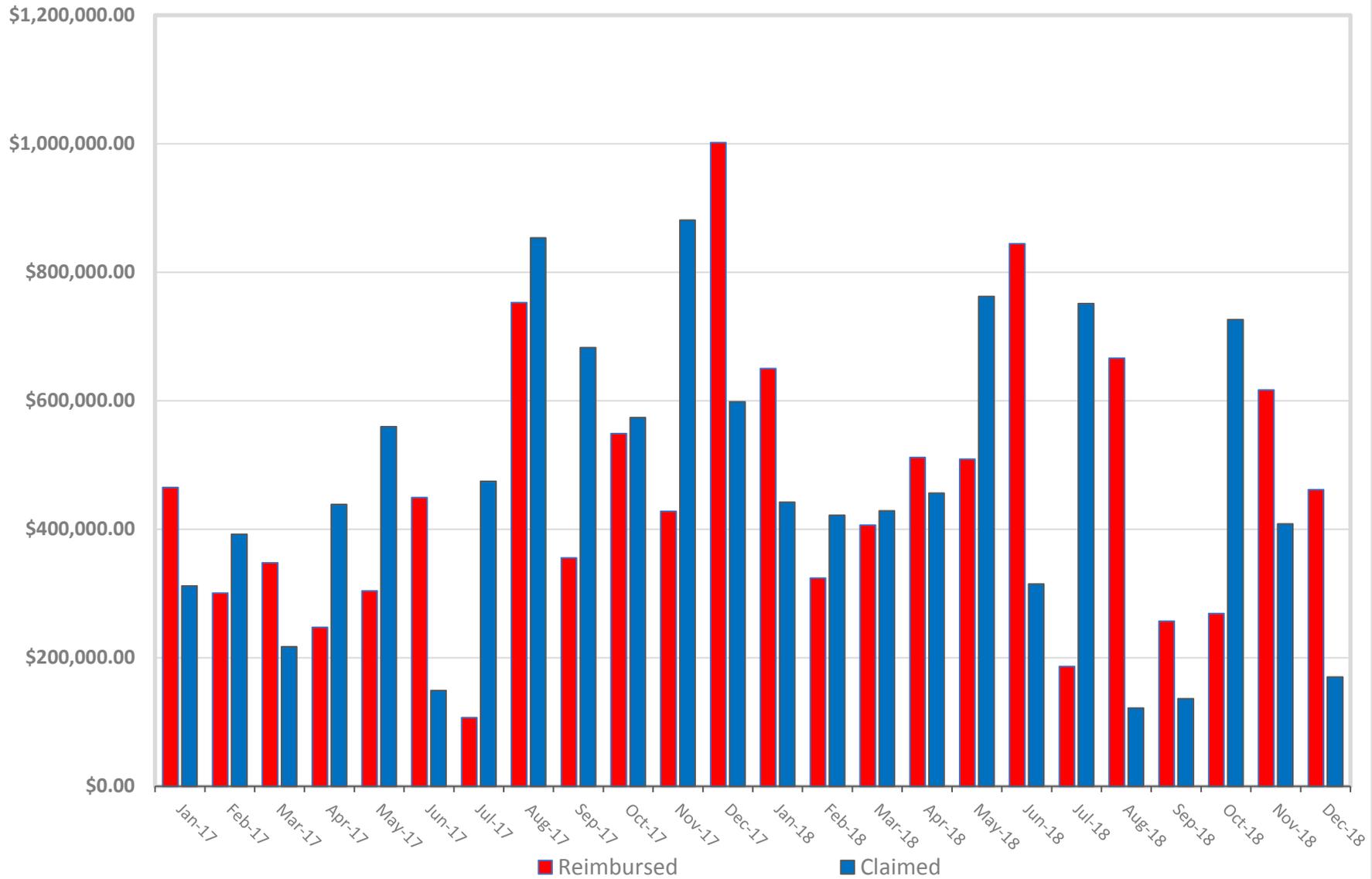
Board Staff Eligibility Graph



Board Staff Claim Count Graph



Board Staff Claim Value Graph





Petroleum Tank Cleanup Activity Report

January 28, 2019

Summary of Confirmed and Resolved Petroleum Releases

Petroleum Release Activity since Last Report – Nov 2, 2018 to Jan 28, 2019

Release Status	Activity
Confirmed Releases	5
Releases Resolved (Closed)	9

Petroleum Release Activity from – January 1, 2019 to January 28, 2019

Release Status	Activity
Confirmed Releases	4
Releases Resolved (Closed)	0

Summary of All Petroleum Release Activity to January 28, 2018

Total Confirmed Releases	4688
Total Resolved Releases	3698
Total Active Releases	947
Total Active and Eligible	620
Active Ineligible	95
Active Undetermined/Pending	216



Petroleum Tank Cleanup Section 2019 Work Plan

Mission

Protect Human Health and the Environment from Petroleum and Hazardous Substance Releases from Storage Tank Systems

Communication, Transparency, and Consistency

What

Drive Petroleum Releases to a New Milestone of Petroleum Cleanup to Continue to Move Sites to Closure

Implement Database Improvements to Build Efficiency in Capture and Retrieval of PTCS Information

Implement Tools to Support Specific Business Process Changes to Improve Efficiency, Reduce Redundancy, and Better Manage Resources

Utilize All Available Funding Sources to Maximize the Number of Sites Addressed Expeditiously

Why

The fewer active petroleum release sites Montana has, the lower the risk to Montanans' human health, safety, and the environment from petroleum contamination, and the lower the liability to owners and operators and the State.

Communication is enhanced by an efficient system of data capture and retrieval. These systems will improve our ability to capture and retrieve information about petroleum releases, thereby increasing our ability to effectively and efficiently communicate with our stakeholders and the public.

This goal will ultimately help us address more sites simultaneously. Improved guidance documents and business processes will encourage consistency and high quality work and will help establish credibility and trust.

PTCS currently has about 950 active petroleum releases that need to be investigated, cleaned up, and closed. Only about 615 of these are eligible for the PTRCF. Petroleum releases are expensive to address, and maximizing all available resources will help us address and close more sites more quickly.

How

- 101-137 investigation work plan approvals
- 92-107 cleanup work plan approvals
- 100-122 compliance monitoring work plan approvals
- 85 to 121 no further corrective action letters
- Keep active sites actively moving
- Evaluate risk at each site and continue to learn and develop risk-based skills and tools
- Prioritize active releases 0-1500 and determine how to move toward closure

- Implement and build proficiency in TREADS
- Project managers enter release data in TREADS as information is received or letters sent
- Update priority ranking and convert to flow chart
- Build reports necessary for PTCS
- Implement and build proficiency in the release reviewer
- Verify the locations of all releases
- Implement and build proficiency in EQUIS
- Develop data search tool

- Timely communication with responsible parties and appropriate public notice.
- Web editing
- Streamline business processes
- Guidance document updates
- Communicate with other sections to ensure consistency across DEQ and to avoid duplication of efforts

- Increase the number of Fund-ineligible releases actively addressed by 20%
- Review sites not eligible for Fund to determine potential funding sources
- Use staff time and appropriate funding to determine the current status of inactive sites
- Work with other sections to maximize resources (PTRCB, CPRS)
- Revise the LUST Trust Cost Recovery Guide
- Write a Brownfields Multipurpose Grant application



Facility Name: Toner's Tire Rama
Physical Address: 103 Main Street, Rudyard, Hill County
Facility ID: 21-02475
Release Number: 3259
Priority: 3.0 – Medium Priority Remediation
Page 1 of 4

Work Plan-(WPID 10854):

The estimated cost for this work plan is \$122,949.09. This work plan consists of completing an excavation of approximately 300 cubic yards of petroleum impacted soil, a sewer investigation, well abandonment and replacement, and two years of semiannual groundwater monitoring.

Remedial Alternatives Analysis (RAA):

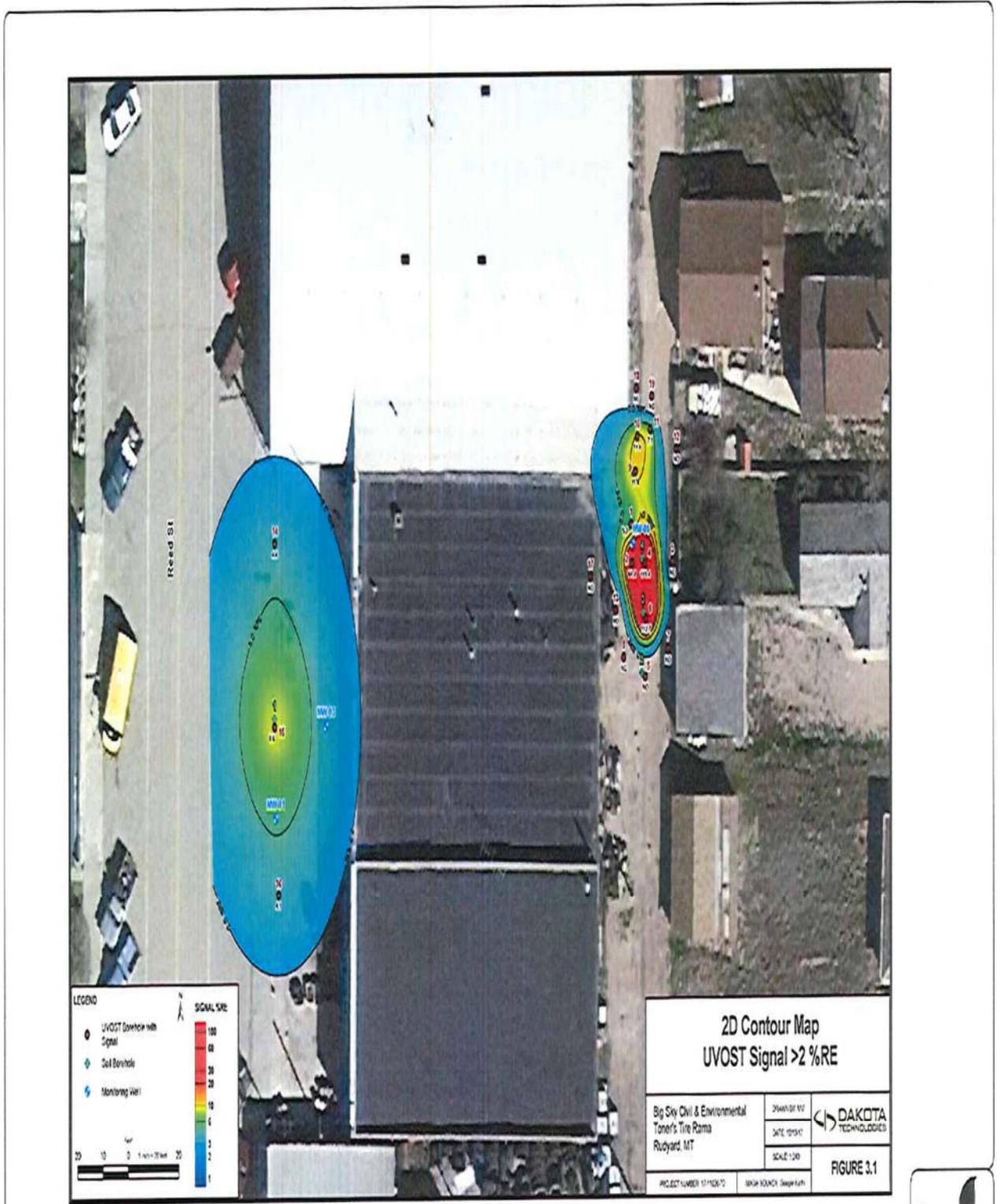
A remedial alternatives analysis was prepared for this release in June 2018 and compared monitored natural attenuation, excavation, and soil vapor extraction with air sparging. Excavation had the lowest cost and is projected to achieve release closure in the shortest amount of time.

Site History:

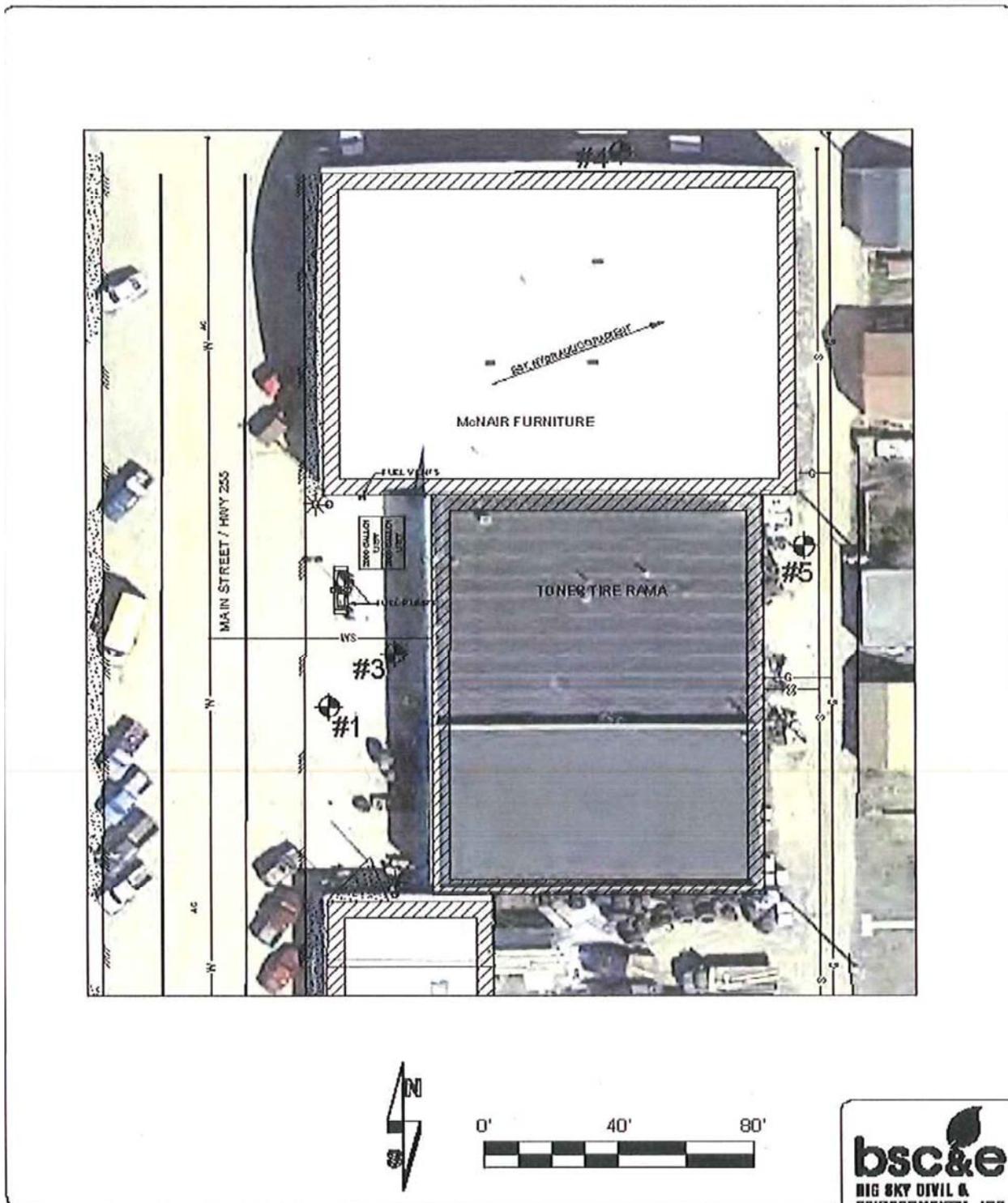
Release 3259 was discovered in October 1997. During tank removal activities, stained soil and odors were noted.

In 1997, a total of 100 cubic yards of petroleum impacted soil was removed and landfarmed. Groundwater monitoring was initiated in 2016 and indicated that groundwater in MW-5 exceeded risk-based screening levels. In September 2017, a laser-induced fluorescence (LIF) study was conducted at the Facility. The LIF indicated significant soil impacts in the vicinity of MW-5. The LIF results also provided a basis for the extent of the excavation.

Several figures showing the LIF results, well location map and proposed excavation boundary are attached.



ASPHALT PAVEMENT INVESTIGATION REPORT



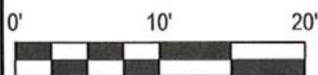
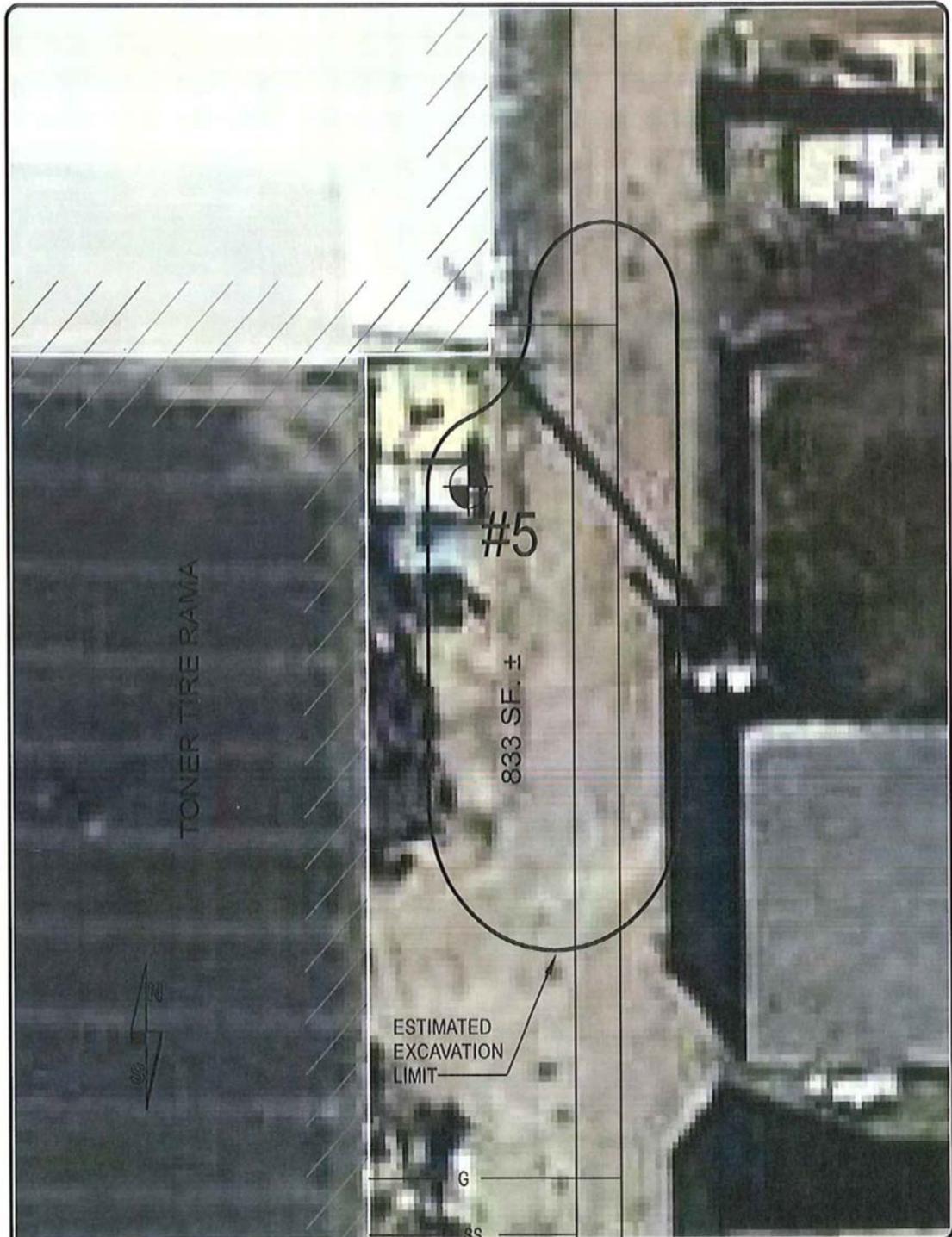
TITLE:
UTILITIES AND MW
LOCATION MAP

PROJECT:
TONER'S TIRE RAMA
FACILITY ID #21-02475
RELEASE #3259

EXHIBIT:
FIG. 5

bsc&e
BIG SKY CIVIL &
ENVIRONMENTAL, INC

1324 13TH AVE. SW
P.O. BOX 3291
GRANT 59102, MT 59401
406/777-2181 OFFICE
406/777-3636 FAX
www.big-sky.com



ESTIMATED 300 CY OF CONTAMINATED SOILS





Petroleum Tank Release Compensation Board

Work Plan Task Costs

Facility ID: 2102478 **FacilityName:** Toner's Ture Rama **City:** Rudyard
Release ID: 3259 **WP ID:** 10854 **WP Name:** R-B-SR-WI-GWM **WP Complete:** **WP Date:** 9/28/2018

Task #	Task Name	Phase	Estimated Cost	Actual Cost	Balance	Comment
1	Work Plan	R	\$1,700.00			
2	Project Management Mobilization	R	\$4,960.00			
3	Mobilization	R	\$8,185.45			
4	Fieldwork	R	\$7,760.00			
5	Excavation	R	\$ 73,730.03			
6	Well Installation (only if necessary)	R	\$1,202.68			
7	Survey	R	\$705.00			
8	Monitoring - 4 events	R	\$2,912.00			
9	Lodging/Per Diem	R	\$299.00			
10	Laboratory	R	\$11,880.00			
11	Miscellaneous - Field Supplies (NoShipping)	R	\$50.00			
12	Report - AR-01 (2)	R	\$2,860.00			
13	Report - AR-07	R	\$3,250.00			
14	Report - Update Release Closure Plan	R	\$590.00			
			Total:	\$120,084.16		